By Mr. RUSSELL: A bill (H. R. 12014) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes; to the Committee on Banking and Currency.

By Mrs. JENCKES of Indiana: Joint resolution (H. J. Res. 544) to amend House Joint Resolution 201 (Public Res. No. 40, 74th Cong.) entitled "Joint resolution giving authority to the Commissioners of the District of Columbia to make special regulations for the occasion of the Seventieth National Encampment of the Grand Army of the Republic in the month of September 1936, and for other purposes, incidental to said encampment", approved July 18, 1935; to the Committee on the District of Columbia.

By Mr. JENKINS of Ohio: Joint resolution (H. J. Res. 545) to provide emergency relief for certain flood victims and the restoration and reconstruction of certain flood areas; to the Committee on Appropriations.

# PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHRISTIANSON (by request): A bill (H. R. 12015) for the relief of Charles E. Duncan; to the Committee on Military Affairs.

By Mr. EICHER: A bill (H. R. 12016) granting a pension to Emma Hellwig: to the Committee on Pensions.

By Mr. FORD of California: A bill (H. R. 12017) for the relief of the estate of Sigmund Lindauer; to the Committee on Claims.

By Mr. HILDEBRANDT: A bill (H. R. 12018) for the relief of George C. Widlon; to the Committee on Claims.

By Mr. JOHNSON of West Virginia: A bill (H. R. 12019) for the relief of Walling Oswald Naumann; to the Committee on Naval Affairs.

By Mr. KVALE: A bill (H. R. 12020) granting a pension to Mary C. Miller; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 12021) for the relief of Garland Hartman; to the Committee on Military Affairs.

Also, a bill (H. R. 12022) for the relief of Joseph Wardrupe; to the Committee on Claims.

Also, a bill (H. R. 12023) for the relief of Rellie Dodgen; to the Committee on Claims.

By Mr. ROGERS of Oklahoma: A bill (H. R. 12024) to direct the Civil Service Commission to open for investigation the case of Frederick E. Dixon; to the Committee on the Civil Service.

By Mr. THURSTON: A bill (H. R. 12025) for the relief of Mina Hall: to the Committee on Claims.

By Mr. TONRY: A bill (H. R. 12026) authorizing the President of the United States to present, in the name of Congress, medals of honor to John Forsythe and Otto Kafka; to the Committee on Naval Affairs.

# PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10591. By Mr. JOHNSON of Texas: Petition of C. A. Pickett, secretary-manager, Lumbermen's Association of Texas, Houston, Tex., favoring House bill 11689, for extension of title I of the National Housing Act; to the Committee on Banking and Currency.

10592. Also, petition of E. P. Simmons, vice president and general manager of Sanger Bros., Dallas, Tex., favoring repeal of section 148 (D) of the Federal Revenue Act of 1934; to the Committee on Ways and Means.

10593. By Mr. LAMNECK: Petition of Mrs. S. B. Henderson, president, and Mrs. H. F. Morehead, secretary, of the Franklin County Woman's Christian Temperance Union, Columbus, Ohio, urging early hearings on motion-picture bills now before Congress; to the Committee on Interstate and Foreign Commerce.

10594. By Mr. O'CONNELL: Resolution of the General Assembly of Rhode Island, relative to the retention of the U. S. S. Constellation at Newport, R. I.; to the Committee on Naval Affairs.

10595. By Mr. PFEIFER: Petition of Piel Bros., Brooklyn, N. Y., concerning proposed tax on barley, hops, rice, corn, and increased tax on beer; to the Committee on Ways and

10596. By Mr. REED of Illinois: Petition signed by Ellen H. Garrison and 88 other members of the Woman's Christian Temperance Union of Rock Island County, Ill., endorsing passage of House bill 8739; to the Committee on the District of Columbia.

10597. By Mr. RICH: Petition of Lieutenant Edson J. Catlin Post, No. 101, Wellsboro, Pa., favoring House bill 9497 and

Senate bill 3579; to the Committee on Pensions.

10598. By Mr. WIGGLESWORTH: Petition of the General Court of Massachusetts, memorializing the Congress of the United States relative to requiring that preference be given to citizens of the United States in employment on unemployment relief projects financed by Federal funds; to the Committee on Appropriations.

# SENATE

THURSDAY, MARCH 26, 1936

(Legislative day of Monday, Feb. 24, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 24, 1936, was dispensed with, and the Journal was approved.

#### CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Pope
Ashurst	Connally	Lewis	Radcliffe
Austin	Copeland	Logan	Reynolds
Bachman	Couzens	Lonergan	Robinson
Bailey	Davis	Long	Russell
Barbour	Donahey	McGill	Sheppard
Barkley	Duffy	McKellar	Shipstead
Bilbo	Fletcher	McNary	Steiwer
Black	Frazier	Maloney	Thomas, Okla.
Bone	George	Metcalf	Truman
Borah	Gibson	Minton	Tydings
Brown	Gore	Moore	Vandenberg
Bulkley	Guffey	Murphy	Van Nuys
Bulow	Hale	Murray	Wagner
Burke	Harrison	Neely	Walsh
Byrd	Hatch	Norris	Wheeler
Byrnes	Hayden	Nye	White
Capper	Johnson	O'Mahoney	
Caraway	Keyes	Overton	
Chavez	King	Pittman	

Mr. LEWIS. I announce the absence of the Senator from Alabama [Mr. Bankhead], the Senator from California [Mr. McADOO], the Senator from Rhode Island [Mr. GERRY], the Senator from Washington [Mr. Schwellenbach], and the Senator from Florida [Mr. TRAMMELL], caused by illness; and I further announce that the Senator from Virginia [Mr. GLASS], the Senator from Minnesota [Mr. Benson], the Senator from Massachusetts [Mr. Coolinge], the Senator from Colorado [Mr. Costigan], my colleague the junior Senator from Illinois [Mr. DIETERICH], the Senator from West Virginia [Mr. Holt], the Senator from Nevada [Mr. McCarran], the Senator from South Carolina [Mr. SMITH], and the Senator from Utah [Mr. Thomas] are necessarily detained from the Senate.

Mr. AUSTIN. Mr. President, I announce that the senior Senator from Delaware [Mr. Hastings], the junior Senator from Delaware [Mr. Townsend], the Senator from Iowa [Mr. Dickinson], and the Senator from Wyoming [Mr. CAREY] are necessarily absent.

The PRESIDENT pro tempore. Seventy-seven Senators having answered to their names, a quorum is present.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 3699) to authorize the coinage of 50-cent pieces in commemoration of the fiftieth anniversary of Cincinnati, Ohio, as a center of music, and its contribution to the art of music for the past 50

The message also announced that the House had passed the bill (S. 3424) to continue Electric Home and Farm Authority as an agency of the United States until February 1937, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3263. An act to amend paragraph (1) of section 4 of the Interstate Commerce Act, as amended February 28, 1920 (U. S. C., title 49, sec. 4);

H. R. 7690. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y.; and

H. J. Res. 543. Joint resolution making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia.

#### ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4086) for the relief of Ellis Duke, also known as Elias Duke, and it was signed by the President pro tempore.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 3263. An act to amend paragraph (1) of section 4 of the Interstate Commerce Act, as amended February 28, 1920 (U. S. C., title 49, sec. 4); to the Committee on Interstate Commerce.

H. R. 7690. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y.; to the Committee on Banking and Currency.

H. J. Res. 543. Joint resolution making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia; to the Committee on Appropriations.

## EMERGENCY RELIEF IN THE DISTRICT OF COLUMBIA

Mr. McKELLAR. Mr. President, in the absence of the Senator from Virginia [Mr. GLASS], who is unavoidably absent, I wish to ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 543) making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia, which has just come over from the House of Representatives.

The Appropriations Committee of the Senate has met and has considered the joint resolution and has authorized me to report it with an amendment. I do not think there will be any objection to the joint resolution at all. It comes as a unanimous report from the Committee on Appropriations. and I hope it may be passed at this time.

Mr. McNARY. Mr. President, it is unusual to submit a request to amend a joint resolution without it first being read. I am not advised of the nature of the joint resolution.

Mr. McKELLAR. I ask that the joint resolution be read

The PRESIDENT pro temore. The joint resolution will be read.

The Chief Clerk read the joint resolution (H. J. Res. 543), as follows:

Resolved, etc., That to provide an additional amount for the purpose of affording relief to residents of the District of Columbia who are unemployed or otherwise in distress because of the existthe District of Columbia by employment and direct relief, in the discretion of the Board of Commissioners and under rules and regulations to be prescribed by the Board and without regard to the provisions of any other law, \$350,000, to remain available until June 30, 1936, and to be payable from the revenues of the District of Columbia.

Mr. McKELLAR. Inadvertently the House omitted certain words which are absolutely necessary in order to bia from its revenues.

make the joint resolution conform to the rules of the House and the Senate. In line 11, after the word "law", there should be inserted the words "there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of." Those words were left out of the joint resolution in the House and the committee asks that the joint resolution be amended by the insertion of those words.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 1, line 11, after the word "law", it is proposed to insert the words "there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of", so as to make the joint resolution read:

Resolved, etc., That to provide an additional amount for the purpose of affording relief to residents of the District of Columbia who are unemployed or otherwise in distress because of the existing emergency, to be expended by the Board of Public Welfare of the District of Columbia by employment and direct relief, in the discretion of the Board of Commissioners and under rules and regulations to be prescribed by the Board and without regard to the provisions of any other law, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$350,000, to remain available until June 30, 1936, and to be payable from the revenues of the District of Columbia.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

Mr. McKELLAR. Mr. President, I submit a report (No. 1720) on the joint resolution and ask that it be printed in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

#### Senate Report No. 1720

The committee after consideration of House Joint Resolution No. 543, entitled "Joint resolution making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia", report the same to the Senate with an amendment incorporating the appropriation clause.

In justification of this appropriation the committee submits herewith the report submitted by Chairman Buchanan to the House of Representatives, which report most convincingly and accurately enumerates the reasons for the immediate passage of this resolution. The report referred to is as follows:

"The Committee on Appropriations, to whom was referred House Joint Resolution No. 543, entitled 'Joint resolution making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia', report the joint resolution without amendment and with a recommendation for its immediate consideration and passage.

"The amount proposed to be made available by the joint resolution is \$350,000 payable from the revenues of the District of Columbia. The Budget estimate in the amount of \$250,000, similarly payable, was submitted in House Document No. 425 of the present session.

"The sum appropriated for this purpose for the fiscal year 1936 in the District of Columbia Appropriation Act is \$2,000,000. There will remain available on April 1 next from this and other sources

will remain available on April 1 next from this and other sources approximately \$125,000.

"The Budget estimate of \$250,000, the committee was advised, would only be sufficient, when added to the \$125,000 on hand, to provide for relief from April 1 to June 30, 1936, for the so-called unemployable cases on the relief rolls, leaving little, if any, to be expendable from District funds for those who are employable but not employed. Part of those classed as employables are so-called border-line cases, the character of the employment which they might be capable of being somewhat limited or the duration of their employability being in a measure speculative.

"The amount for emergency relief carried in the District of Columbia appropriation bill for the fiscal year 1937 as it passed the House is \$1,506,020, the amount of the Budget estimate less certain reductions in administrative expenses. This amount, the committee was advised, would be sufficient to provide relief only for 'unemployables'.

"Under the amount of the Budget estimate of \$250,000 for the remainder of the fiscal year 1936 the Board of Commissioners and

remainder of the fiscal year 1936 the Board of Commissioners and the Board of Public Welfare have determined that if no greater sum is allowed relief first should be extended to the unemployables. This would also be the policy with reference to the appropriation for the next fiscal year.

"On the basis of most recent figures there are on relief of one kind or another in the District of Columbia, including work relief,

a total of 23,000 cases, averaging three persons to a case, or a total of 70,000. Of this 23,000, approximately 14,000 cases are on work relief under the Works Progress Administration allotments and 9,000 cases are supported from funds furnished by the District of Columbia from the formula for the case of the case of the formula for the formula for

"Allocations of funds by W. P. A. have been made to cover the fiscal year ending June 30 next, though it should in fairness be stated that those allotments do not contemplate the continuance in the spring and summer months of the full 14,000 cases; there will be some diminution of that class of relief. In this connection, will be some diminution of that class of relief. In this connection, however, it should be stated that the District of Columbia will undoubtedly be considered in the allocation of the \$43,000,000 recently made available by the President for flood relief and to the extent the District may benefit from this allotment additional work relief would be provided.

"Of the 9 000 control of the state of the provided of

"Of the 9,000 cases supported from District of Columbia revenues, about 4,000 are the so-called unemployables—persons who are unable to work if they have the opportunity—and 5,000 cases are employables on relief without work.

On the basis of \$250,000 additional, a situation would exist on April 1 next, whereby available funds would care for the 4,000 cases of unemployables, leaving most of the 5,000 cases of employables to find support either by obtaining work here or elsewhere or by finding relief from private sources of charity or local philanthropic agencies.

"The committee is not willing to require this abrupt termination of relief to these 5,000 cases without some notice and opportunity on behalf of the relief clients to obtain other methods of assistance. The Board of Commissioners desired \$608,000 instead of the \$250,000 which the Budget estimate provided for. This \$608,000 would have carried the present status until July 1 next, when the same determination would have to be made unless the pending District of Columbia appropriation bill for 1937, when finally enacted, provides for a larger amount than the Budget estimate for

"The sum which is provided in the accompanying joint resolution is \$350,000, which sum, together with the \$125,000 on hand, will give a total of \$475,000 for the period from April 1 to June 30 next. This will enable the local authorities to provide for the unemployables and to taper off gradually the relief to the

'employables.'

"The problem presented was a most difficult one. With the \$350,000 provided in this joint resolution, the total of funds for relief in the District of Columbia from Federal and local sources for the present fiscal year will reach \$11,500,000. This includes allotments from F. E. R. A. and W. P. A. in addition to funds provided from District of Columbia revenues. On the basis of the amounts heretofore made available from Federal and District of Columbia revenues and the amount carried in the joint resolu-tion, the District of Columbia will have furnished about 20 percent of the total and the Federal Government about 80 percent.

"It is realized that due to the presence of the National Capital there has been an influx of persons who thought greater possibilities of securing employment or opportunities of relief prevailed here than in other cities. No doubt there are many persons who would work if opportunity was presented also some who will not work so long as relief continues.

work so long as relief continues.

"A rather paradoxical situation exists in that Washington at the present time, from the standpoint of construction and retail trade, is perhaps more prosperous than at any time in its history, and yet there exists this very large charity roll. The community chest pledges have fallen from \$2,444,000 in 1932 to \$1,757,000 in 1936. With Government salaries restored to a 100 percent level and a near peak in Government employment with its consequently large bimonthly disbursement, there seems no logical reason why private charitable contributions should not also be at the highest level in the history of the city.

"The committee believes that unless curtailment is commenced, the large relief load may become a more or less permanent factor.

the large relief load may become a more or less permanent factor. The open season is approaching when many of the 'employables' here should find opportunity for seasonable work elsewhere, and, indeed, there must also be some employment in the city if it be diligently sought and accepted when offered.

diligently sought and accepted when onered.

"In raising the Budget estimate from \$250,000 to \$350,000 the committee has lengthened the period available to the Board of Commissioners and the Board of Public Welfare to work out the transition problem. It may be necessary to raise the present 1-year residence requirement to a longer period and to resort to more strict regulation to keep within the funds that are made available.

"The resolution should pass promptly. The 1st of April is not appropriate the present of the constraints of the relief in cash for 2

"The resolution should pass promptly. The 1st of April is not far distant and it is customary to pay the relief in cash for 2 weeks in advance. Administrative problems involved are difficult and the authorities should know as early as possible the amount which Congress is to make available."

Mr. McKELLAR. Mr. President, I ask that the Vice President be authorized to sign the joint resolution if it shall be returned to the Senate during a time when the Senate is in

The PRESIDENT pro tempore. Without objection, it is so ordered.

## CONTINUATION OF ELECTRIC HOME AND FARM AUTHORITY

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3424) to continue Electric Home and Farm Authority as an agency of the United States until February 1937, and for other purposes, which was, on page 2, after line 5, to insert:

Sec. 2. The corporation shall file with the President and with the Congress, in December of each year, a financial statement and

a complete report as to the business of the corporation covering the preceding governmental fiscal year. This report shall include an itemized statement of the cost of operation, the total number of employees, and the names, salaries, and duties of those receiving compensation at the rate of more than \$1,500 a year.

Mr. NORRIS. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

## PETITIONS AND MEMORIALS

Mr. ROBINSON presented a letter from George C. Merkel. secretary-manager of the Pine Bluff (Ark.) Chamber of Commerce, relative to the imposition of proposed additional taxes on corporations, which was referred to the Committee on

Mr. TYDINGS presented a resolution adopted by the Maryland Yacht Club, Baltimore, Md., protesting against the enactment of the bill (H. R. 6203) to apply laws covering steam vessels of 15 gross tons and over propelled by internalcombustion engines, which was referred to the Committee on Commerce.

He also presented a petition of sundry citizens of the State of Maryland, praying for the enactment of the bill (S. 3597) construing the act approved August 14, 1935, entitled "An act to fix the hours of duty of postal employees, and for other purposes", which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the mayor and Council of the City of Baltimore, Md., favoring the enactment of legislation relating to the unemployment of youth, and the needs of students in high schools, vocational schools, and colleges, which was ordered to lie on the table.

He also presented a memorial of officers, members, and friends of Liberty Council, No. 16, Junior Order United American Mechanics, of Baltimore, Md., remonstrating against the enactment of the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes, which was ordered to lie on the table.

Mr. COPELAND presented a petition of sundry citizens of Croton, N. Y., praying for the enactment of legislation to aid youth and the employment of youth, which was ordered to lie on the table.

He also presented resolutions adopted by local no. 2 of Coopers' International Union, and the Association of Workers in Public Relief Agencies, both of New York City, N. Y. praying for the enactment of legislation providing social insurance to workers, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Warehousemen's Association of the Port of New York, N. Y., favoring continuation of the office of Federal Coordinator of Transportation, and the enactment of legislation regulating water carriers and wharfingers, also the reorganization of the Interstate Commerce Commission, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Washington Heights branch of the New York State Association of Retail Meat Dealers, endorsing the so-called Robinson-Patman anti-price-discrimination bill, which was ordered to lie on the table.

He also presented a memorial of members of Colonial Council, No. 43, Daughters of America, of the Bronx, New York City, N. Y., remonstrating against the enactment of the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes, which was ordered to lie on the table.

## REGULATION OF COMMERCE BY WATER CARRIER

Mr. FLETCHER presented a telegram from the Associated Citrus Growers and Shippers of Florida, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows;

LAKELAND, FLA., March 25, 1936.

Senator DUNCAN U. FLETCHER,

United States Senate, Washington, D. C.:
Our board of directors, representing 50 percent of Florida's citrus industry through its 100 shipper members and representing over 6,000 growers who market through our shippers, also representing in direct grower membership over 1,000 growers, passed

whereby vigorously protest passage of the Eastman water carrier bill, known as Senate bill 1632, because fostered by privileged railroad interests, that will result in generally higher transportation rates to Florida citrus growers in its so-called equalizaportation rates to Florida citrus growers in its so-called equalization purposes, which would tend to increase water-transportation rates and probably truck rates, with very doubtful lowering of rail rates in such equalization. Through March 21, 20,795 cars citrus moved by rail, 14,570 cars by boat, 7,449 cars by truck, or total 42,814 cars, averaging 391 boxes to car unit. Note that over 22,000 cars moved by boat and truck, or considerably over 50 percent of crop. This natural competitive advantage Florida holds over other citrus areas in economical transportation by boat and truck positively must not be interfered with under any circumstances; therefore we most earnestly request and fully expect from our Senators and Representatives most vigorous and continuous opposition to passage of this bill, and hereby authorize this resolution to be immediately sent to such representatives."

Associated Citrus Growers and Shippers of Florida,

ASSOCIATED CITRUS GROWERS AND SHIPPERS OF FLORIDA, By A. M. PRATT, Secretary-Manager.

## REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the joint resolution (H. J. Res. 305) accepting the invitation of the Government of France to the United States to participate in the International Exposition of Paris-Art and Technique in Modern Life, to be held at Paris, France, in 1937, reported it without amendment and submitted a report (No. 1722) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 9472) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain, and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, reported it with an amendment and submitted a report (No. 1723) thereon.

Mr. WALSH, from the Committee on Education and Labor, to which was referred the bill (S. 2926) to authorize the Commissioner of Education in the Department of the Interior to conduct a study and disseminate his findings and recommendations regarding suitable aviation instruction courses for the public schools, and for other purposes, reported it without amendment and submitted a report (No. 1724) thereon.

He also, from the same committee, to which was referred the bill (S. 3167) to extend the provisions of certain laws relating to vocational education and civilian rehabilitation to the Territory of Alaska, reported it with an amendment and submitted a report (No. 1725) thereon.

Mr. ADAMS, from the Committee on Banking and Currency, to which was referred the bill (S. 3842) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the statehood of Wisconsin, and to assist in the celebration of the Wisconsin centennial during the year of 1936, reported it with amendments and submitted a report (No. 1726) thereon.

He also, from the same committee, to which were referred the following bills and joint resolution, reported them severally with an amendment and submitted reports thereon:

S. 4229. A bill to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the incorporation of Bridgeport, Conn., as a city (Rept. No.

S. 4335. A bill to authorize the coinage of 50-cent pieces in commemoration of the centennial celebration of Cleveland, Ohio, to be known as the Great Lakes Exposition (Rept. No. 1728);

H. R. 10489. A bill to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding and settlement of the city of New Rochelle, N. Y. (Rept. No. 1729);

H.R. 11323. A bill to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of the first settlement on Long Island, N. Y. (Rept. No. 1730); and

S. J. Res. 231. Joint resolution to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Swedes in Delaware (Rept. No. 1731).

#### THE AMERICAN MERCHANT MARINE

Mr. COPELAND. From the Committee on Commerce, I report back favorably, with an amendment, Senate bill 3500, to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes.

A report to accompany the bill will follow within a few days. The recommendation of the committee is not unanimous, and it is desired that in the report the views of the minority may be included with the majority recommendation, and it is the intention that sufficient time be afforded to give consideration to the minority views.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

OPERATION OF FOREIGN AND AMERICAN SHIPS IN FOREIGN TRADE

Mr. COPELAND. From the Committee on Commerce I also report back certain amendments intended to be proposed to Senate Resolution 260, requesting certain information concerning the operation of foreign ships and of American ships engaged in foreign trade, submitted by the Senator from Maryland [Mr. Typings] on March 19, 1936, and ask that they lie on the table for consideration when the resolution comes before the Senate.

The PRESIDENT pro tempore. Without objection, that order will be made.

#### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WAGNER:

A bill (S. 4344) to authorize the placing of lands acquired or which may be acquired hereafter near Dumfries, Va., under the National Park Service for recreational purposes;

A bill (S. 4345) to accept the cession by the State of Virginia of exclusive jurisdiction over the lands embraced within the Shenandoah National Park, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. MURPHY:

A bill (S. 4346) granting to the State of Iowa for State park purposes certain land of the United States in Clayton County, Iowa; to the Committee on Public Lands and Surveys.

A bill (S. 4347) granting an increase of pension to Mary E. Dearborn; to the Committee on Pensions.

By Mr. BARKLEY:

A bill (S. 4348) for the relief of Harry Tappan; to the Committee on Military Affairs.

A bill (S. 4349) to provide for the preparation of a plan to reduce the pollution of navigable waters of the United

A bill (S. 4350) to provide for the preparation of a plan to reduce the pollution of navigable waters and for the appropriation of money for that purpose; and

A bill (S. 4351) granting to the States of the Ohio Valley consent of Congress to an interstate compact or treaty for the purpose of controlling or reducing stream pollution; to the Committee on Commerce.

By Mr. GORE:

A bill (S. 4352) to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Clinton, Okla.; and

A bill (S. 4353) to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Shawnee, Okla.; to the Committee on the Judiciary.

By Mrs. LONG, Mr. ROBINSON, Mrs. CARAWAY, Mr. SHEPPARD, Mr. CONNALLY, and Mr. OVERTON:

A bill (S. 4354) to authorize the attendance of the Marine Band at the Arkansas Centennial Celebration at Little Rock, Ark., on June 2, 3, 4, and 5, 1936; the Texas Centennial, at Dallas, Tex., on June 6, 7, and 8, 1936; and the Forty-sixth National Confederate Reunion, at Shreveport, La., on June 9, 10, 11, and 12, 1936; to the Committee on Naval Affairs.

By Mr. BARBOUR and Mr. MOORE:

A bill (S. 4355) to authorize a preliminary examination of the Delaware River with a view to the control of its floods; and

A bill (S. 4356) to authorize a preliminary examination of Passaic River, N. J., with a view to the control of its floods; to the Committee on Commerce.

(Mr. Davis introduced Senate bill 4357, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. BAILEY:

A bill (S. 4358) for the relief of Harry L. Parker; and

A bill (S. 4359) for the relief of W. D. Reed; to the Committee on Claims.

By Mr. DUFFY:

A bill (S. 4360) for the relief of Melba Kuehl; to the Committee on Claims.

By Mr. HAYDEN:

A bill (S. 4361) for the relief of Dorothy White, Mrs. Carol M. White, and Charles A. White; to the Committee on Claims. By Mr. POPE:

A bill (S. 4362) for the relief of Rufus C. Long;

A bill (S. 4363) for the relief of B. W. Winward; and

A bill (S. 4364) for the relief of Zan Atwell; to the Committee on Claims.

By Mr. JOHNSON:

A bill (S. 4365) to amend the act entitled "An act conferring upon the United States District Court for the northern district of California, southern division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad", approved June 24, 1935; to the Committee on Claims.

By Mr. LONERGAN:

A bill (S. 4366) for the relief of the East Coast Ship & Yacht Corporation, of Noank, Conn.; to the Committee on

By Mr. GIBSON:

A bill (S. 4367) for the relief of the estate of Charles Pratt: to the Committee on Claims.

A bill (S. 4368) to provide for a duty on bread leavened with yeast; to the Committee on Finance.

By Mr. COPELAND (by request):

A bill (S. 4369) conferring jurisdiction on certain courts of the United States to hear and determine the claim of the owner of the coal hulk Callixene, and for other purposes; to the Committee on Claims.

By Mr. WHEELER:

A bill (S. 4370) to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936; to the Committee on Education and Labor.

(Mr. Walsh introduced Senate bill 4371, which was referred to the Committee on Naval Affairs and appears under a separate heading.)

By Mr. BLACK:

A bill (S. 4372) to authorize the purchase of originals or coples of portraits of former Chief Justices and Associate Justices of the Supreme Court of the United States for the new building occupied by the Supreme Court of the United States, and for other purposes; to the Committee on the Library.

By Mr. O'MAHONEY:

A bill (S. 4373) for the relief of J. Sheldon Cook; to the Committee on Claims.

A bill (S. 4374) for the relief of Ruth Edna Reavis (now Horsley); to the Committee on Public Lands and Surveys.

By Mr. WHEELER:

A joint resolution (S. J. Res. 239) extending the time for the Federal Trade Commission to make an investigation and file final report with respect to agricultural income and the financial and economic condition of agricultural producers generally; to the Committee on Interstate Commerce.

ESTABLISHMENT OF A FLOOD REHABILITATION ADMINISTRATION

Mr. DAVIS. Mr. President, I introduce a bill which authorizes and empowers existing Federal agencies, including the Federal land banks, the Home Owners' Loan Corporation, the Federal Emergency Relief Administration, and the Resettlement Administration, to establish a flood-relief administration for the purpose of giving assistance to property owners who have lost their possessions in the recent flood catastrophe. This bill, if enacted, would authorize existing agencies which have relation to flood-relief projects to consolidate their efforts through a single agency, thus avoiding duplication of activity and making prompt and efficient action possible. I understand that there is now no one agency empowered to meet these needs and that the duties are distributed among various governmental units, more or less disconnected.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 4357) relating to the authority of existing Federal agencies to establish a flood rehabilitation administration for the repair of damages caused by floods or other catastrophes was read twice by its title and referred to the Committee on Banking and Currency.

Mr. DAVIS. In connection with the question of flood relief, I ask that certain telegrams I have received may be printed in the RECORD at this point.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

HARRISBURG, PA., March 25, 1936.

Hon. James J. Davis,

Senate Office Building: Resumption of normal pay rolls and restoration of commercial enterprises depend upon governmental action in substantial flood relief. Five thousand people were evacuated from their homes. Industries and business houses employing 10,000 were under 10 feet or more of water. Red Cross and other agencies rehabilitating individuals. Several hundred industries, distributors, and other concerns sustained serious capital losses. Assets were literally washed away in many instance. Survey now being made of actual loss. Need for long-term credit with reasonably easy security require-Need for long-term credit with reasonably easy security requirements imperative. Appreciate wire from you regarding any Federal plan or promise we might hold out to these businessmen on possibility of broadening regulations of R. F. C. and other direct lending agencies. This is entirely aside from flood control, which must have immediate attention. Know we can rely upon your leadership. Harrisburg Chamber of Commesce, Samuel L. W. Fleming, Jr., President.

PITTSBURGH, PA., March 26, 1936.

Hon. James J. Davis, United States Senate:

Conforming with advice in this morning's papers, we will require a \$50,000 loan to replace barges and land equipment destroyed by flood and ice. Kindly advise the proper procedure at earliest possible moment.

PITTSBURGH GRAVEL Co. South Eighth Street, Monongahela River.

PITTSBURGH, PA., March 25, 1936.

Senator J. J. Davis,

United States Senate:

Surveys made in the flooded areas reveal a most appalling loss of property. All of this is a capital loss for Pennsylvania. The cost of flood control is a small proportion of the loss involved in the present catastrophe. We urge you to use all your influence to obtain definite action of western Pennsylvania flood control at this session of Congress.

MARK S. JAMES. Manager, Pittsburgh Commission for Industrial Expansion.

PITTSTON, PA., March 25, 1936.

Hon. James J. Davis,

Senate Office Building:
We urge your assistance in the restoration of our coal mines in Pittston area, which have been almost totally destroyed by flood waters of the Lackawanna and Susquehanna Rivers. The aid of Federal and State Governments to have our major industry pumped free of flood waters is vital. Seven thousand men are idle as a result and we cannot look forward to resumption of work for

> GREATER PITTSTON CHAMBER OF COMMERCE, Pittston, Pa.

> > PITTSBURGH, PA., March 25, 1936.

Senator James J. Davis,

Senate Office Building, Washington, D. C.: Lend every effort possible to see that sufficient funds are allocated to McKees Rocks and Stowe Township. Business and

property loss estimated between eight and ten million dollars. Unless Federal aid is forthcoming merchants and home owners and renters face irreparable loss and bankruptcy.

PITTSBURGH, PA., March 25, 1936.

Senator James J. Davis,

Senate Office Building, Washington, D. C.:

Was stranded in center of flood zone, no sleep for 8 days and 7 nights, endless suffering; for humanity's sake build dams for flood control and power. Power dam will return a good sum of original

J. P. FINDLEY, Operating Manager, Jenkins Arcade,

PITTSBURGH, PA., March 25, 1936.

Hon. James J. Davis,

Washington, D. C.:

The present devastating floods in the Tri-State area once more demand immediate action; your earnest endeavor and effort is most earnestly requested in the interests of projects for flood control

> BEECHVIEW DEMOCRATIC WORKERS, Mrs. HAZEL G. SCHROEDER

PITTSBURGH, PA., March 25, 1936.

Senator Davis,

We cannot have this flood catastrophe repeated in Pittsburgh, keep up your good work; pass this on to Senator Guffer also. Mrs. WILLIAM JENKINSON

Member, Women's Republican Council Bellevue.

AMBRIDGE, PA., March 25, 1936.

The Honorable James Davis,

Member of the Senate:

In the interest of humanity support any constructive flood measure.

AMBRIDGE KNIGHTS OF PYTHIAS LODGE 504.

AMENDMENT OF MARINE CORPS PERSONNEL ACT

Mr. WALSH. I introduce, for reference to the Committee on Naval Affairs, a bill amending section 10 and repealing section 16 of the Marine Corps Personnel Act of May 29, 1934. I ask to have inserted in the RECORD in connection with the introduction of the bill a brief memorandum explaining its purpose.

The PRESIDENT pro tempore. The bill will be received and referred as requested by the Senator from Massachusetts. and, without objection, the memorandum will be printed in

the RECORD.

The bill (S. 4371) to amend section 10 and to repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934 (48 Stat. 811), and for other purposes, was read twice by its title and, with the accompanying paper, referred to the Committee on Naval Affairs.

The memorandum is as follows:

## MEMORANDUM FOR NAVAL COMMITTEE

The effect of the amendments to section 10 of the Marine Corps

The effect of the amendments to section 10 of the Marine Corps Personnel act of May 29, 1934, as now drawn, provides:

(a) That until January 1, 1938, officers in the upper three-sevenths of the grades of first lieutenant, captain, major, lieutenant colonel, and colonel will be eligible for consideration by selection boards without regard to length of service in grade; but that on and after that date all officers subject to selection will be required to serve 4 years in grade (3 years for first lieutenants) before becoming eligible for consideration by selection boards, as is now the case with officers of the line of the Navy.

(b) That no effect of the Marine Corps will become inclinible for

(b) That no officer of the Marine Corps will become ineligible for (b) That no officer of the Marine Corps will become ineligible for consideration for selection or for promotion by reason of length of commissioned service or by age without having been at least once considered by a selection board. This makes eligible for promotion captains in the Marine Corps who have been placed on a promotion list, approved by the President, regardless of age.

(c) That officers of the Marine Corps of the grade of second lieutenant and above, except the Major General Commandant, the Assistant to the Major General Commandant, the heads of staff departments and officers on eligible lists for appointment as head

departments, and officers on eligible lists for appointment as head departments, and officers on eligible lists for appointment as head of a staff department, a maximum of eight officers, shall not serve on duty in Marine Corps Headquarters, Washington, D. C., more than 4 out of any 8 consecutive years unless the President shall determine that the public interests so require.

Section 2 repeals section 16 of the Marine Corps Personnel Act of May 29, 1934, which provides:

(a) For the involuntary retirement of not to exceed 11 majors and 6 lieutenant colonels in any one year who have failed of selection and who have completed the designated periods of service prescribed in the basic Navy selection law.

(b) For the removal of the restriction on pay on promotion of certain officers of all grades.

Section 3 provides:

(a) That no majors or lieutenant colonels may be involuntarily retired until June 30, 1936, and shall until that date retain their eligibility for selection.

(b) That a special selection board shall be convened immediately after the passage of this act for the purpose of considering the cases of eligible majors and lieutenant colonels; that this board shall select four lieutenant colonels and nine majors from among the officers in the respective grades now on the active list who held commissions in said grades on May 28, 1934.

ENFORCEMENT OF TWENTY-FIRST AMENDMENT OF CONSTITUTION

Mr. KING submitted amendments intended to be proposed by him to the bill (H. R. 8368) to enforce the twenty-first amendment, which were ordered to lie on the table and to

#### CHANGES IN CERTAIN SENATE SALARIES AND POSITIONS

Mr. POPE submitted the following resolution (S. Res. 269), which was ordered to lie on the table:

Resolved, That the Committee on Appropriations, or any sub-committee thereof, having charge of the preparation of the bill making appropriations for the legislative establishment for the fiscal year ending June 30, 1937, is hereby directed to make the following changes in salaries and positions under supervision of the Secretary of the Senate, to wit:

Librarian: Strike out "librarian, \$3,360" and insert "librarian,

\$4.320."

First assistant librarian and keeper of stationery: Strike out "first assistant librarian and keeper of stationery, at \$3,130 each" and insert "first assistant librarian and keeper of stationery, at \$4,320 each."

WAR DEBTS, DISARMAMENT, CURRENCY STABILIZATION, AND WORLD TRADE

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 141) submitted by Mr. Tydings May 21, 1935, as follows:

Whereas the people of the United States, irrespective of political affiliations, have been desirous of promoting in every practical way the peace of the world and the economic and political welfare way the peace of the world and the economic and political wehare of other nations as well as their own, and have never failed to respond to the call of distress of other peoples and countries; and Whereas the people of the United States are equally desirous of correcting any misapprehensions in this regard and to proclaim

that no reason shall exist for questioning their desire to aid in every reasonable way the solution of the acute problems of the world arising from the war and depression; and

Whereas the present administration has frequently declared that national economic recovery and world economic recovery are inex-tricably bound together and that the principle of the good neighbor should characterize the relationship between the United States

and all other nations; and Whereas similar views have been held by Republican administrations and leading statesmen of the Republican Party, so that these broad views have the endorsement of both our major politi-

cal parties; and

cal parties; and

Whereas it is universally recognized that there is no problem existing today which is operating more directly, constantly, and powerfully to make understanding and good will between nations difficult, and therefore to postpone the return of economic well-being and durable world peace than the chronic problem of intergovernmental debts arising and resulting from the war; and Whereas the next installment of allied war debts owing to the United States is due and payable on the 15th of June 1935, and no payment on these debts was made when the last installment came due on December 15, 1934, and the value and collectibility of these debts are becoming more and more jeonardized by the passing of

due on December 15, 1934, and the value and collectibility of these debts are becoming more and more jeopardized by the passing of time and the failure to devise and consummate a workable and mutually reasonable settlement thereof; and

Whereas such officials and leaders of European public opinion and action as Premier Flandin, of France; Economic and Finance Minister Schacht, of Germany; and the Chancelor of the Exchequer Chamberlain, of Great Britain, have within recent weeks given public indication of their recognition of the gravity of the problem created by the unsettled state of intergovernmental debts and of their desire for an equitable settlement that will promote and not retard world trade and that is in keeping with the present economic and financial conditions of the world; and

Whereas in June and also in December of 1934, in the exchange

nomic and financial conditions of the world; and
Whereas in June and also in December of 1934, in the exchange
of notes on the allied-debt subject, both France and Great Britain
did not repudiate them but frankly acknowledge the validity and
legality of their respective war debts to the United States and
expressed a desire and willingness to make a reasonable and feasible
settlement of these debts; and
Whereas it is the desire of the people of the United States as
indispensable both to economic recovery and to world peace to
secure reduction of armaments by all nations and to inaugurate
an immediate 5-year holiday in arms construction, in order to

facilitate and insure rapid recovery from the ravages of the pro-tracted depression and to prove good faith to one another in their whereas general and drastic reduction of armaments is vital to

both world peace and to economic recovery, the expenditures for armaments and war being by far the largest items in the budgets of the nations; and

Whereas responsible statesmen of all the large nations of the world have repeatedly expressed their willingness to join in a general universal movement for the reduction of armaments, but the disarmament conferences have, during the past few years, failed to reach any substantial accord as to reduction largely because of the ill will, fear, and resentments engendered, particularly in Europe, by the destructiveness of the last war and the treaties resulting refrom; and

Whereas a strong indication of the sentiment in Great Britain has just been obtained by a popular referendum wherein the vote on the question of all-around drastic reduction of armaments by international agreement showed over 90 percent in favor of such reduction and agreement, a percentage that well represents the overwhelming public opinion of our land; and

Whereas a 5-year holiday in arms construction accompanied by

gradual, drastic, and pro-rata reduction in arms, agreed to and carried out by the nations of the world, would be not only the sincerest guaranty of world peace but would also result in bringing national income and national expenditures within balance in all nations, would greatly reduce taxation, would vastly increase the buying power of all countries, and consequently would go far toward restoring to normal the benefits of the world trade, both for

agriculture and for the industry; and Whereas for the further advancement of world trade and therefore the prosperity of all peoples there should be a revival of confidence in the money units of the world, now so disordered and almost chaotic, by a working stabilization of international currencies under international agreement, such as would inspire confi-dence in businessmen and producers everywhere, and which would largely restore normal foreign trade, thus tending to relieve unem-ployment and to reflate our sadly deflated market value of com-modities, securities, and real estate; and

Whereas the United States, by reason of its unprecedented contributions to the World War, its unselfish and equally unprecedented abstention from all the spoils of war at the peace table in harmony with the magnanimous pronouncements of President McKinley in 1898, and of President Wilson in 1917, namely, that

McKinley in 1898, and of President Wilson in 1917, namely, that it is our settled policy not to wage wars of aggression and not to accept the spoils of victory, is in a position to take the lead in a world-wide movement for the solution of these four acute international problems, (1) war debts, (2) disarmament, (3) stabilization of currencies, and (4) a sound revival of world trade, which now so harass the world and retard both economic recovery and world peace, and to the solution of which a world conference should be called to be held at the city of Washington at the earliest convenient and practicable time: Now, therefore, be it Resolved, That the President of the United States is requested, if not incompatible with the public interest, to advise such governments as he may deem appropriate that this Government desires at once to take up directly with them, with a view to entering into international agreements and treaties with other nations at a conference to be held in the city of Washington the following matters: The settlement of the intergovernmental debts, the means of obtaining a substantial curtailment in world armaments and a holiday in world armament construction, the means of securing a stabilization of the currency systems of the world, and the means for reviving world trade, all to such an extent and under such terms as may be agreed upon.

Mr ROBINSON. Mr President, I desire to suggest to the

Mr. ROBINSON. Mr. President, I desire to suggest to the author of the resolution that it has been pending on the calendar for a long period of time and that it would be appropriate to refer it to the Committee on Finance. I make that motion. I see that the Senator from Maryland [Mr. Typ-INGS] is not in the Chamber at the moment. If the motion shall be agreed to and the Senator from Maryland, upon his return, makes objection, I shall ask for a reconsideration of the vote by which the motion was agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Arkansas to refer the resolution to the Committee on Finance.

The motion was agreed to.

APPOINTMENT AND CONFIRMATION OF CERTAIN FEDERAL EMPLOYEES

The PRESIDENT pro tempore. The Chair lays before the Senate another resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 152) submitted by Mr. Gore June 15, 1935, as follows:

Resolved, That the Comptroller General is hereby directed to submit to the Senate a report showing the names, residence, and annual rate of compensation of all persons who have been appointed or employed under any act of Congress who receives compensation at a rate of \$4,000 or more per annum and indicating those who are required by existing law to be appointed by and with the advice and consent of the Senate, who have not been so

confirmed, and also those who are not required by existing law to be so confirmed; and further indicating in each case the date of the appointment or employment and under what act or by what authority such person was appointed or employed.

Mr. ROBINSON. Mr. President, I ask that the resolution be referred to the Committee on Appropriations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### OWNERSHIP OF GOLD STOCK IN THE TREASURY

The PRESIDENT pro tempore. The Chair lays before the Senate a further resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 228) submitted by Mr. Shipstead February 6, 1936, as follows:

Resolved, That the Attorney General be requested to furnish the Senate with a formal opinion as to the ownership of and encum-brances on the gold stock of \$10,182,372,580.54 reported on Feb-ruary 1, 1936, by the Treasury of the United States as among its assets, with particular reference to the status of the gold taken from the Federal Reserve banks.

Mr. ROBINSON. Mr. President, I suggest to the Senator from Minnesota [Mr. Shipstead] that the resolution be referred to the Committee on Banking and Currency.

Mr. SHIPSTEAD. I am willing to have that done. I think we should have the information. It is very important, I hope the committee will take action very soon.

Mr. ROBINSON. I may state that it is my information that, under the law, the Attorney General has no authority to respond to the resolution. I ask to have printed in the RECORD in connection with my motion a memorandum which has been prepared at my request relating to this subject.

However, upon reconsideration, I suggest that the resolution be referred to the Committee on the Judiciary instead of the Committee on Banking and Currency.

Mr. SHIPSTEAD. Whatever committee will give consideration to the subject will be satisfactory to me. All we want is the information. I did not clearly understand the Senator's statement about the right of the Attorney General to render an opinion.

Mr. ROBINSON. I stated that, in my judgment, the Attorney General has no authority in law to render such an opinion as is called for, and I am going to ask to have published in connection with my remarks a memorandum relating to the subject which sets forth the statutory provisions and the constructions which have been placed on it from a time shortly after the office of Attorney General was created. I should like to have the resolution referred to the Committee on the Judiciary, if that is satisfactory to the Senator from Minnesota, as a legal question is involved.

Mr. SHIPSTEAD. May I ask the Senator if the memorandum shows who has construed or interpreted the law? As I understand, the memorandum purports to give a construction or interpretation of the statute.

Mr. ROBINSON. The memorandum does not relate to the opinion the Senator calls for in his resolution. It is confined to the power of the Attorney General to render such an opinion. I ask that the resolution be referred to the Committee on the Judiciary and that the memorandum referred to be printed in the RECORD in connection with my

There being no objection, the resolution was referred to the Committee on the Judiciary, and the memorandum was ordered to be printed in the RECORD, as follows:

## IN RE SENATE RESOLUTION 228

The authority of the Attorney General to render opinions is contained in sections 303 and 304 of title 5 of the United States

contained in sections 303 and 304 of title 5 of the United States Code. These sections read as follows:

"303. Opinions and advice of Attorney General; to President. The Attorney General shall give his advice and opinion upon questions of law, whenever required by the President" (R. S., sec. 354; Feb. 27, 1877, ch. 69, sec. 1, 19 Stat. 241).

"304. Same to heads of executive departments. The head of any executive department may require the opinion of the Attorney General on any questions of law arising in the administration of his department" (R. S., sec. 356).

In accordance with these provisions, which authorize the rendering of opinions to the President and the heads of departments only, it has been a well-recognized custom from the beginning

only, it has been a well-recognized custom from the beginning that the Attorney General will refrain from giving opinions requested by other branches of the Government. The subject was

treated comprehensively by Attorney General Mitchell in April 1932 in response to a request of the Senate for an opinion with respect to certain railroad mergers. The response of the Attorney General to that request emphasized the fact that Congress has not General to that request emphasized the fact that Congress has not required, nor indeed authorized, the Attorney General to render opinions to Congress or either House, and that for over a hundred years the Attorneys General have deemed themselves precluded from giving such opinions. Attorney General Mitchell cited a number of instances of this kind dating back to an early statement of Attorney General Wirt in 1820 in response to a request of the House of Representatives. Continuing, Attorney General Mitchell stated: Mitchell stated:

"Under date of February 14, 1929, my immediate predecessor declined the request of the House Committee on Expenditures in the Executive Departments for an opinion, and on June 3, 1930, I felt obliged to decline an opinion requested by the Judiciary Committee of the Senate.

Committee of the Senate.

"Congress has accepted this long-standing interpretation of the law and has never attempted by law to enlarge the powers or duties of the Attorney General so as to require him to give opinions to either House of Congress or to committees thereof. Having in mind the constitutional separation of the functions of the legislative, executive, and judicial branches of the Government, there has always been a serious question whether the principle of that separation would be violated by a statute attempting to make the Attorney General a legal adviser of the legislative branch, and as a matter of governmental policy the wisdom of constituting as legal adviser of either House of Congress an official of the executive department, who sits in the President's Cabinet and acts as his legal adviser, has always been open to doubt.

adviser, has always been open to doubt.

"When pending legislation affecting the Department of Justice has been referred to Attorneys General for comment or suggestion, it has been their practice to suggest such legal points as are pertinent and which ought to receive consideration by committees, but that practice has never properly involved any formal legal opinions from Attorneys General and has no resemblance to a request for an opinion as to the effect of an existing statute" (36 Op. Atty. Gen.

Reasons of policy support this recognized practice. Except where required for administrative conduct, it would be inadvisable and inappropriate for the Attorney General, who is charged with the conduct of litigation for the Government, to render official opinions in a quasi-judicial capacity on matters which may become the subject of litigation.

INSTANCES ILLUSTRATING THE CONSISTENT VIEW OF ATTORNEYS GENERAL THAT THEY HAVE NO POWER TO RENDER OPINIONS TO EITHER HOUSE

Attorney General Wirt (1 Op. 335): "The Attorney General may give his advice and opinion upon questions of law only when required by the President or requested by the heads of the departments. It is not his duty to give official opinions to the House of Representatives."

Attorney General Brewster (18 Op. 87): "The authority of the Attorney General Brewster (18 Op. 87): "The authority of the Attorney General to give his official opinion is limited by the which create and define his office, and will not permit him to give advice at the call of either House of Congress, or of Congress itself, but only to the President or the head of an executive department." This was said in response to a request for the opinion of the Attorney General made by a resolution of the House of Representatives. sentatives.

Attorney General Crittenden (5 Op. 561): The Attorney General declined to advise a committee of Congress as to the validity of a claim pending before the committee because "to answer the ques-

claim pending before the committee because "to answer the questions you have been pleased to propose does not fall within the limits of the duty, or legal power of the Attorney General, but would be a wide departure from his appointed sphere of action."

Attorney General Evarts (12 Op. 544): In a communication to the chairman of the Senate Committee on Naval Affairs the Attorney General declined to give his opinion on a joint resolution pending before the committee. He said that "it has been uniformly considered that the powers and duties of the Attorney General were limited and defined by the statutes passed by Congress on the subject, and that any exercise of official action beyond the statutory authority conferred upon him was an unwarrantable assumption on his part \* \* \*." That "it was not competent for the Attorney General to give opinions concerning any matters pending in Congress upon the request of either of the Houses or of any committee."

of any committee."

Attorney General Mitchell (36 Op. 532): The Attorney General (Apr. 25, 1932) felt obliged to decline to give an opinion in response to a Senate resolution on legal phases of the subject matter of the resolution, and cites an unbroken line of authority for more than a hundred years in support of his position.

PERSONNEL OF REGIONAL OFFICES OF HOME LOAN BANK BOARD

The PRESIDENT pro tempore. The Chair lays before the Senate another resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 268) submitted by Mr. McKellar on the 24th instant, as follows:

Whereas the question of regional offices established by the Federal Home Loan Bank in addition to State offices is a question to be dealt with by the Congress; and Whereas it is desired by the Senate to have information concern-

ing such regional offices for the purpose of proposed legislation: Therefore be it

Resolved, That the Federal Home Loan Bank Board furnish to the Senate, at the earliest practicable moment, the number of regional offices, the number of persons employed in each, the names and addresses of the various officials and employees of such offices, when they were appointed, the salary of each, the general duties of such offices, and for what reasons, if any, re-gional offices were established in States where there are State organizations or set-ups.

Mr. McNARY. Mr. President, when this resolution was submitted a few days ago I asked that it go over under the rule, which was done. I should like to have an opportunity to examine the resolution and confer with the Senator from Tennessee about it. I hope he will not call it up at this time.

Mr. McKELLAR. Would the Senator be willing to have me call it up a little later in the day, perhaps?

Mr. McNARY. I should not wish to make that promise. Mr. McKELLAR. I hope the Senator can do that. I shall be glad to let the resolution go over for the present.

Mr. McNARY. I always try to be fair-

Mr. McKELLAR. Absolutely.

Mr. McNARY. But I should not wish to give a promise unless I could keep it; and I ask the Senator to let the resolution go over at the present time.

Mr. McKELLAR. I am perfectly willing to do that at the request of the Senator; but I desire to amend the resolution slightly, and I ask the clerk at this point to read the amended form of the resolution for the information of the

The PRESIDENT pro tempore. Without objection, the clerk will read the resolution as proposed to be amended.

The Chief Clerk read as follows:

That the Federal Home Loan Bank Board furnish to the Senate, at the earliest practicable moment, the number and location of regional offices, the number of persons employed in each, the names of the various officials and employees of such offices, the legal residence of each such official and employee at the date of their first employment by the corporation, the date of such first employment, the salary of each such official and employee, the general duties of such regional offices, and for what reasons, if any, regional offices were established in States where there are State offices or district offices; and the total monthly pay-roll expense, for the last available month, of State and regional offices in each State in which such regional offices are located; also the total pay-roll expense of the home office in Washington, by months, from January 1, 1935, to January 31, 1936, inclusive. That the Federal Home Loan Bank Board furnish to the Senate, months, from January 1, 1935, to January 31, 1936, inclusive.

Mr. McKELLAR. The Senator from Oregon will see that the resolution, as proposed to be amended, merely asks for a little fuller information than that requested by the original resolution. In view of the fact that questions are arising concerning these regional offices, I think we ought to have that information before the questions are presented.

Mr. McNARY. It seemed to me, from the reading of the amended resolution, that it is a complete substitute for the

original resolution.

Mr. McKELLAR. It is offered as a substitute, but it is substantially the same, except that it is a little fuller, and asks for a little more information than that requested in the original resolution.

The PRESIDENT pro tempore. The Senator from Tennessee has a right to modify his own resolution.

Mr. McKELLAR. I so modify it, if I may.

Mr. McNARY. Of course, I am not complaining about that. I am simply making an inquiry.

Mr. McKELLAR. The Senator wishes to have the resolution go over for the day, however?

Mr. McNARY. I do.

Mr. McKELLAR. Very well, Mr. President.

Mr. McNARY. I thank the Senator.

The PRESIDENT pro tempore. By unanimous consent, the modified resolution will be printed and temporarily passed over.

## THE WILLARD HOTEL INCIDENT

Mr. COUZENS. Mr. President, on page 28 of the calendar there appears a resolution, Senate Resolution 240, submitted by myself. I ask that the resolution be referred to the Committee on Interstate Commerce.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The morning business is closed.

PEACE AND ITS RELATION TO PRESENT-DAY PROBLEMS-ADDRESS BY SENATOR PITTMAN

Mr. ROBINSON. Mr. President, I ask unanimous consent that a radio address on the subject of Peace and Its Relation to Present-Day Problems, delivered by the Senator from Nevada [Mr. PITTMAN] on Monday night, March 23, 1936, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I appreciate the honor and privilege of briefly discussing tonight the subject Peace and Its Relation to Present-Day Problems.

I assume that our people are most interested in the preservation of our own peace, and yet it is evident that our peace is inexorably affected by world conditions. I do not mean to assert that we cannot maintain peace in our country, even though the rest of the cannot maintain peace in our country, even though the rest of the world should be at war, but every student of the history of peace and war realizes that the problem would become exceedingly difficult in such event. The world is not yet at war, and still we would be stupid, if not cowardly and unpatriotic, were we to bury our heads in the sands that we might not see things as they are. It serves us not to say there is no war when there is war. We deceive ourselves and those who rely upon us when we fanatically proclaim to our people that fear, greed, and ambition for power do not actuate governments today and that the spirit of conquest is dead. We do not stay war by ceremonial wailings, incantations, and protestations that there is peace.

and protestations that there is peace.

The principle of national necessity has superseded and destroyed international law and treaty rights. The so-called national right by force to expand, to possess all necessary raw materials, to increase commerce, to establish and maintain racial culture and pet principles of government in the far places of the earth, to have the highest place in the sun, without regard to the rights of others, is today the most powerful influence in the world. This is the militaristic principle under which conquest is justified. This is the principle under which sacred treaties for peace are arbitrarily violated. This is the principle upon which is based the dictum that might makes right. Wars through the ages have been waged in support of this principle. War is now being waged been waged in support of this principle. War is now being waged to obtain the privileges asserted under such principle. Further conquests and expansions under this principle are even now being planned by various governments, and undoubtedly will be carried out with military force unless it is within the determination and power of the governments of the world to collectively stop it. Aye, there's the rub.

Aye, there's the rub.

Is it the determination of the governments of the world to denounce such principle and prevent its barbaric use? Obviously, the weak nations fear conquest, but they have not the physical power to successfully resist it. How about the powerful nations? History answers this question. In 1919 the League of Nations was created and organized. It had for its purpose the prevention of wars, if possible, and the quick ending of those wars that do arise, by the use of and through collective action of governments. The Covenant of the League of Nations prohibited acts of aggression and provided adequate means for the amicable determinasion and provided adequate means for the amicable determina-tion of international controversies. Back of all this force was provided in the form of sanctions, or boycotts, ostracism, and, if necessary, even armies and navies, to compel obedience to the adjudication of the League under the covenants. It was hoped that international controversies, like national controversies, could be justly adjudicated and settled without resort to war.

It seemed at the time to be a reasonable proposition. We proudly boasted of our high civilization, our philosophy, and our enlightenment, and the Christian spirit that moved all civilized people. We realized that war accomplishes nothing but destruction

and has no place in this civilization.

and has no place in this civilization.

It pains me to say anything derogatory to the League of Nations. It had the highest purpose, and its influence has been good. It is our duty, however, to learn and speak the truth. Nothing is accomplished through ignorance, deception, and cowardice.

It is our duty to frankly analyze the results of collective action of governments. What has this collective action accomplished? What hope does it offer to us for peace in the future? The League of Nations has successfully settled a number of minor international controversies that might have led to war, but so far it has utterly failed in taking sufficient action to enforce its decrees against powerful governments. I need only refer to a few of such against powerful governments. I need only refer to a few of such outstanding failures. The Covenant of the League prohibited military alliances on the part of its members, and yet we know that there are military alliances in Europe and Asia by those who are members of the League of Nations. You cannot serve two

masters. You cannot be in an alliance in the League and in an alliance outside of the League.

The Assembly of the League of Nations, represented by 42 governments, solemnly and positively determined and declared that Japan was an aggressor against China in Manchuria. Japan and Japan was an aggressor against China in Manchuria. Japan and China were both members of the League at that time and voluntarily submitted their controversies to adjudication by the League. Japan treated the decree of the League with contempt and continued the conquest of Manchuria. The sovereignty of China has been ousted from Manchuria, and yet the League has ever since remained silent and has taken no further action.

The League declared Italy aggressor against Ethiopia and demanded that Italy cease hostilities. Italy openly challenged the decree and continued its war against Ethiopia. And then the

League declared its intention to use all its powers to punish the aggressor and stop this war. It imposed upon Italy economic sanctions. These sanctions being ineffective, the League threatened to place an embargo upon the shipment of oil to Italy. Italy

ened to place an embargo upon the shipment of oil to Italy. Italy threatened war if an embargo were established. The League did not place an embargo upon oil, nor has it done anything further toward the enforcement of its decree.

I am not passing upon the question as to whether the action of the League in any case was right or wrong. I cite the facts so that the effectiveness of collective action for peace may be intelligently weighed. I fully realize the difficulties in which the League has existed and acted. It never was a world league. It could not be unless the defeated nowers had been invited to and beague has existed and acted. It hever was a world league. It could not be unless the defeated powers had been invited to and had become members of the League. These powers had rights to adjudicate as well as other governments. They had the right to be in the League and there discuss the reasonableness of the terms of peace imposed upon them and the justice of their demands for

modification of such treaties of peace.

Whilst many governments are members of the League, there are but few that possess military power. These great governments have their age-long enemies and are therefore imbued with hatred have their age-long enemies and are therefore imbued with hatred and inherent fear. Lacking confidence in the physical power of the League to protect them, they have sought and made alliances. It is hardly to be expected that they will lend military aid to the enforcement of the League's decrees as against a military ally. In the circumstances it is probably natural that governments should have more confidence in their allies than they have in the League of Nations for the ultimate protection of their nationals and their rights. It is true that many members of the League will take upon themselves the burden of imposing senctions upon a deterupon themselves the burden of imposing sanctions upon a deter-mined aggressor, but few of these members will go to war to punish the aggressor and enforce the decrees of the League. And yet it is obvious that unless sufficient force is used—even to armed force—and is exerted to compel obedience to the decrees of the League, that then such decrees are not only futile but are deceptive practices against the weaker nations. This is the chief weakness of the League of Nations.

weakness of the League of Nations.

Great Britain did not know what members of the League would stand by her in the event she was attacked by Italy on account of the sanctions. European and Asiatic governments recognizing these weaknesses of the League have returned to the former policy of balance of power and military alliances.

Witness the result of the Nine Power Treaty on China, adopted at the great convention in Washington in 1922: The United States, Belgium, Great Britain, China, France, Italy, Japan, the Netherlands, and Portugal solemnly agreed, in written treaty, that—

"The contracting powers, other than China, agree:

"1. To respect the sovereignty, the independence, and the territorial and administrative interrity of China.

torial and administrative integrity of China

"2. To provide the fullest and most unembarrassed opportunity China to develop and maintain for herself an effective and able government. \* \* \*"

stable government

stable government • • •."

Japan has deliberately and ruthlessly violated this treaty, as well as the Covenant of the League of Nations, and yet Japan ridicules the Nine Power Treaty and goes on with its plans of conquest without interference or even condemnation, save the protest of our Government and the judgment of the League of Nations that Japan is an aggressor and has violated the Covenant of the League of Nations. That's all!

Every effort for substantial limitation of armaments has failed. Our Government initiated the movement for the limitation of naval armaments at the Washington Conference in 1921 and 1922. We can never forget the magnificent gesture of our Government.

naval armaments at the Washington Conference in 1921 and 1922, we can never forget the magnificent gesture of our Government when our distinguished Secretary of State, upon the opening of that solemn meeting, voluntarily proposed that we destroy seven of our new battleships constructed and in process of construction. We destroyed our battleships, while other governments destroyed some old ships and many blue prints. The battleship was our chief naval weapon, but how did other governments respond to our courageous acts?

France contended that the submarine was the logical defense

France contended that the submarine was the logical defense against threatening battleships, while Great Britain asserted that the cruiser was the best defense against submarines. So submarines and 10,000-ton cruisers were not limited. France would not stand for the limitation of airplanes and poisonous gases because Germany was prepared, so she contended, to provide quickly large quantities of these weapons of war with her peacetime factories. So airplanes and poisonous gases were not limited.

pecause Germany was prepared, so she contended, to provide quickly large quantities of these weapons of war with her peacetime factories. So airplanes and poisonous gases were not limited. Well, it would appear to a reasonable person that we had made sufficient sacrifices of our national defense for the cause of world peace. Not so! Japan insisted that we should agree not to further fortify Guam, the Philippine Islands, and our other possessions in the western Pacific, and we surrendered in the name of peace. We have continued our efforts for the limitation of naval armaments, but they have all failed.

Great Britain and Japan have each just provided the largest appropriations for their navies, air forces, and armies made available since the World War. Germany is restoring her powerful navy with incomparable speed and skill. Other European governments are following these examples with every resource they can command. Today Europe is an armed camp, living in an atmosphere of hatred and fear, nervously waiting and listening for the sound of the shot that will precipitate Europe and Asia into the bloodiest catastrophe that the world has ever suffered. We pity these unfortunate peoples. It is hard for us to understand their situation. We have no such conditions in this hemisphere. In Europe and Asia there are many races living in

congested areas and in close contact, speaking different lan-guages, having different customs, and suffering from distrust and the inherent fear of conquests such as have been visited upon their countries time and again throughout the ages.

And these are some of the causes which make for war and

And these are some of the causes which make for war and obstruct collective action for peace, and, yet all hope has not failed. Whilst the situation is exceedingly grave, yet strong influences are being sincerely and powerfully exerted to prevent immediate war while readjustments of rights are undertaken and a broadened and a more influential league of Europe is created and organized. Every intelligent, rational, human being prays God that this great work may receive its highest fulfillment.

What is our duty in this grave emergency? What can we do for the cause of world peace? What can we do to preserve our own peace, even though Europe and Asia become involved in war? In my humble opinion there is little, if anything, we may suc-In my humble opinion there is little, if anything, we may successfully do at this time in aid of the settlement of the present European controversy. We refused to join the League of Nations, and a majority of our people, I believe, are still opposed to such evolvement upon the part of our Government.

Experience has conclusively proven that force—supreme force alone—can insure the enforcement of any decree whether it be by a national or international court. We cannot, therefore, afford to interfere with foreign controversies that threaten war unless we are prepared and determined, at the time, to use our military forces in defense of our acts, which acts may be construed as acts of war. Our Government will not send its military forces to Europe in aid of the enforcement of the decrees of the League of Nations or any other league or alliance, even though that be the only way to punish a guilty aggressor and prevent or stop war. We may do many things that will eliminate causes that, in the past, have tended to involve us in foreign wars, but we must not blind ourselves to the fact that when war insanity spreads over

the earth there is nothing that can guarantee our peace.

We have enacted laws providing for the licensing of the manufacturers of arms, ammunition, and implements of war, and have prohibited the exportation of such materials to belligerent countries. We have prohibited the granting of loans or the extending of credit to belligerent governments. We have regulated strictly the use of our ports by vessels of belligerents, and have taken steps to prevent our citizens from traveling upon the vessels of belligerent countries. This is the furthest advance ever made by any govern-ment in its efforts to protect its neutrality and escape the dangers

There were those who favored extending such embargo to all materials and exports above the normal peacetime exports to such belligerent countries. This provision was bitterly fought. It was contended that it would be uselessly placing a destructive burden upon our farms, industries, and labor; that other countries would supply such materials and our foreign markets would be permanently destroyed; that it was inhuman to refuse to supply the civilian populations of warring countries with foodstuffs

and clothing.

It was again called to the attention of the Foreign Relations Committee of the United States Senate, which had such legislation under consideration, that during the World War every government, including our own Government, declared everything contraband of war, or, in other words, an illegal shipment that might be captured, even including foodstuffs; that, therefore, we would not escape the danger by exporting the normal quantity of such goods rather than the amount required by the demand.

On the other hand, it was strongly contended that it was better that we do not export anything to warring countries rather than that we should be dragged into foreign wars.

The controversy was maintained sincerely and ably upon both sides. It was evident, therefore, that if we wished any legislation at all it was necessary that we compromise, and, therefore, such

what more may we do? We are not a member of the League of Nations, and we have no alliances. If we are attacked, then we must defend ourselves. Those extreme pacifists in our country must defend ourselves. Those extreme pacifists in our country—and I speak of the honest, sincere people, and not the hired pacifists—who oppose the maintenance of our Army, our Navy, and our air forces conscientiously believe that no foreign powers will attack us. They still believe that justice and a Christian spirit actuate all governments. They hold tenaciously to the theory that if we will not fight and that if we convince all other governments that we will not fight that, then they will not fight us. I deeply regret to be impelled to declare that, in my opinion, history and experience do not sustain such high and pacific ideals. Even in our own country, the most enlightened in the world, police forces equal in size to our Regular Army are unable to protect our own people against murders, kidnapings, robberies, and other vicious and low crimes. The only thing that prevents the

other vicious and low crimes. The only thing that prevents the bully, whether he be individual or government, from acts of vicinese is fear of punishment or defeat. To tell a bully that you will not fight inevitably results in a fight.

By virtue of our situation, surrounded as we are by two great By virtue of our situation, surrounded as we are by two great oceans and having as neighbors friendly powers, we do not require a large Army, but our very extensive coast lines—the longest in the world—and the absolute necessity of the maintenance of the Panama Canal, so that our fleets may be rapidly joined in either ocean, makes it absolutely necessary that we provide adequate protection. We cannot disguise the fact that many governments in the world are jealous of us, and some of them hold for us an intense hatred and a desire to humiliate and punish us.

Broad oceans at one time offered us great protection, but today the Pacific, 7,000 miles across, is spanned by airplanes. Fleets

move more rapidly, and destruction by bombs and poisonous gases hurled from the air is more difficult to protect against. Many of our ships and our airplanes are antiquated and obsolete, while other governments have modern instruments of warfare and are increasing these instruments as rapidly as it is humanly possible. Let our Navy and our air fleet sink into obsolescence, and we invite attack upon our coast with the destruction of the lives of our

The only other step that we can take at the present time to protect our peace is to provide and maintain naval and air forces equal to those of any country in the world.

AFTER THE AGRICULTURAL ADJUSTMENT ADMINISTRATION. WHAT NEXT?-ADDRESS BY SENATOR TRUMAN

Mr. MINTON. Mr. President, on March 20 instant, at Schenectady, N. Y., over the radio, the junior Senator from Missouri [Mr. Truman] delivered a very able address entitled, "After the Agricultural Adjustment Act, What Next?" I ask unanimous consent to have the address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I have been asked to talk on a subject in which I am vitally interested: The farmer, and what after the Agricultural Adjustment Administration?

Agriculture is a basic industry. Things we eat and wear come from the soil, and there is no place else to get them. Up until a hundred years ago famines were not unusual, and even as late as 10 years ago famines in India and China have taken place.

Our invention of machinery has made starvation impossible in America, but the adjustment of price between what the farmer buys and what he sells is the problem now facing us.

This country has always been a producer of surplus farm products. We have been exporters of grain, cotton, and meat. This situation has been responsible for the farmer's market. He sells on a world market. He buys on a closed market. His machinery, his clothing, and everything he buys is on a price fixed by monopoly. Even the world market for his surplus products has been to some extent taken away because the world could not sell to us. After the war we suddenly became a creditor nation and to us. After the war we suddenly became a creditor nation and at the same time an exporter of so much foodstuffs and manufactured articles that the purchasing nations could no longer pay for our products. This left the farmer with enormous sur-pluses and no market.

The farmer was put into the depression in 1921 and no effort was ever made to bring him out until the creation of the Agricultural Adjustment Administration. That was an effort to limit

tural Adjustment Administration. That was an effort to limit production to the point of consumption, just as our manufacturers limit production to what they can sell.

The processing taxes were intended to balance the farmer's budget, to afford him a means of meeting high prices for things he buys. By limiting production, prices to farmers have risen to somewhere near a reasonable basis.

The Supreme Court, however, has decided that agriculture is not a national and interstate business but is one that the States must resultate. In order to meet that interpretation of the law

not a national and interstate business but is one that the States must regulate. In order to meet that interpretation of the law and to maintain the ground gained by the farmer, the Soil Conservation Act was passed, the idea behind that act being that States will cooperate with the National Government in the regulation of farm production; that land not economically fitted for production will be taken over by the Government and not used for production; that the soil will be conserved by rotation and fertilization. Production will thus be made to meet a home market and a real agricultural policy for the country will be established. We a real agricultural policy for the country will be established. We must have such a policy, as we have a foreign policy and a military

This situation has been made necessary by our mutton-headed tariff policy under past administrations, which ruined our foreign markets and has almost bankrupted agriculture. It is my opinion that State cooperation, cooperation of the farmers, and the establishment of a real agricultural policy will solve a most difficult problem. Therefore I can't see how the farmer can do anything else but support Franklin D. Roosevelt and reelect him, so that this agricultural policy may be carried to a successful conclusion.

The United States Department of Agriculture says in a summary of the provisions of the new Soil Conservation and Domestic Allotment Act that it provides for conservation and improvement of soil resources, reestablishment and maintenance of farm income, assurance of adequate supplies of food and fiber for consumers, and the protection of rivers and harbors against the effects

sumers, and the protection of rivers and harbors against the effects of soil erosion.

Temporary Federal aid in the form of grants direct to individual farmers to assist voluntary action for these purposes is authorized until State plans are ready or until January 1, 1938, after which grants will be made only to States upon the submission of State programs and their approval by the Secretary of Agriculture in accordance with provisions of the act. The act authorizes an annual appropriation of not more than \$500,000,000. The appropriation for the fiscal year 1937 is \$440,000,000, which with \$30,000,000 from tariff collections makes a total of \$470,000,000.

The objectives under the declared policy of the act include: (1) Preservation and improvement of soil fertility; (2) promotion of the economic use and conservation of land; (3) cutting down the wasteful and unscientific use of national soil resources; (4) protection of rivers and harbors against the results of soil erosion for the purpose of aiding flood control and maintaining navigability; (5) reestablishment at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest of the ratio between purchasing power of the net income per person on farms and that of the income per person not on farms which prevailed during the 5-year period August 1909 to July 1914, inclusive, and the maintenance of this ratio.

to July 1914, inclusive, and the maintenance of this ratio.

Under the temporary plan of Federal aid, the Secretary of Agriculture is authorized to make payments to producers measured by (1) their treatment or use of land for soil restoration, conservation, or the prevention of soil erosion; (2) changes in the use of their land; (3) a percentage of their normal production of one or more designated commodities equal to the normal national percentage required for domestic consumption. Payments may be made on any one or any combination of these bases of measurement. Productivity of the land affected is to be taken into consideration in making payments for changes in use and soil sideration in making payments for changes in use and soil conservation.

conservation.

Under the permanent State-aid plan the Secretary is required, on or before November 1 of each year, commencing in 1937, to apportion funds available for State plans for the next calendar year. In determining the amount to be apportioned to each State, the Secretary is required to take into consideration for each State the acreage and value of the major soil depleting and major export crops produced during a representative period and the acreage and productivity of land devoted to agricultural production during a representative period. During the temporary duction during a representative period. During the temporary Federal-aid period, apportionment of funds for carrying out State plans for each of the years 1936 and 1937 may be made at any time during those years.

time during those years.

The act authorizes the Secretary, in carrying out its provisions during the temporary period of Federal aid, to utilize county and community committees of agricultural producers as well as the Agricultural Extension Service and other agencies such as he finds will assist in accomplishing the purposes of the act and provides for their participation also in the State-aid plan.

State plans, in order to conform to specifications set forth in the act, must include (1) provisions for a State agency to administer the plan authorized by the State and either designated or approved by the Secretary; (2) provisions for such methods of administration and participation by county and community committees or associations of producers organized for the purpose as the Secretary finds necessary for effective administration of the plan; and (3) provisions for submitting such reports as the Secretary finds necessary to assure that the State plans are being carried out. One-fourth of the money apportioned to each State is payable to the State following approval of the State plan.

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of the State plan.

Payment of installments would cease in the case of failure of a Payment of installments would cease in the case of failure of a State to carry out the terms of its plan, funds apportioned to that State would remain available for the general purposes of the act. Prior to January 1, 1938, the Secretary is authorized to make use of cooperative assistance by the Agricultural Extension Service, or other approved State agencies. After this period, the State administrative agency will be one authorized by the State, whether designated by the Secretary or approved by him after designation by the State.

by the State.

The Secretary is required to protect the interests of tenants and sharecroppers and small producers. Tenants and sharecroppers are specifically included as agricultural producers under the authorization empowering the Secretary to make payments to carry the purposes of the act.

In the provisions relating to farm income, the act recognizes the right of agriculture to keep pace with the rate of progress made by the Nation as a whole. The 1909–14 balance between agricultural and nonagricultural living standards, as measured by the relative purchasing power of net incomes of persons on farms and incomes of persons not on farms, is the objective in reestablishing and maintaining farm income.

ing and maintaining farm income.

In carrying out the provisions of the act with regard to reestablishing and maintaining the ratio of purchasing power of farm income, the Secretary is required to give due regard to the maintenance of a continuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair to

modities adequate to meet consumer demand at prices fair to both consumers and producers.

The act prohibits the use of the powers relating to farm income for the purpose of discouraging the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption. The Secretary is directed to determine normal domestic human consumption from the records of the years 1920 to 1929, inclusive, taking into consideration increased population, quantities of any commodity forced into domestic consumption by decline in exports, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes available for domestic consumption within any general class of food commodities.

food commodities.

The provision requiring the Secretary to take into consideration the quantity of any commodity forced into domestic consumption by decline in exports recognizes that the domestic market took during the years 1920 to 1929, at some price, whatever livestock products, such as pork, were offered, placing producers at a price disadvantage when large supplies were forced on the market. The provision regarding substitutes recognizes that consumers may and do substitute one farm commodity for another in their diet, and that allowance should be made for such substitutions.

Use of funds for expansion of domestic and foreign markets or for seeking new or additional markets for agricultural commodi-

ties or for the removal or disposition of surpluses is authorized whenever the Secretary finds that it would tend to carry out the provisions of the act with respect to farm income or would tend to provide for and maintain a continuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair both to consumers and producers.

The act authorizes the Secretary to conduct surveys, investiga-

The act authorizes the Secretary to conduct surveys, investigations, and research and make public the information he deems necessary to carry out its provisions. In addition to the United States, the Territories of Alaska and Hawaii and the possession Puerto Rico come under the application of the act.

The administration is making an honest effort to create a definite policy for agriculture, one which will place the farmer on a level with other industries. For the first time in our history we are discovering that the producer of food and fiber is a vital and essential part of our population, and that his interests and welfare essential part of our population, and that his interests and welfare are as important as the banker's, the manufacturer's, and the building contractor's. The welfare of the country demands that this policy should be carried to a successful conclusion, and I am sure the country as a whole will see that it is.

#### ELIMINATION OF PROFIT FROM WAR-ADDRESS BY SENATOR CONNALLY

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD a radio address on the subject Take the Profit Out of War, delivered by the junior Senator from Texas [Mr. Connally], March 23, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

#### TAKE THE PROFIT OUT OF WAR

Ladies and gentlemen of the radio audience, war and peace are of transcending importance to the peoples of the world. They are matters of life and death. The continent of Europe is at this moment disturbed by the threat that engines of destruction may again be set in motion and a torrent of blood and agony and misery may sweep down on a luckless and unhappy people. In the distant Orient armies are marching and drums are beating. The American people covet no part of such a grim and cruel tragedy. They are Orient armies are marching and drums are beating. The American people covet no part of such a grim and cruel tragedy. They are devoted to the ideals of peace. They want to live in the spirit of the good neighbor. We are not dominated by the spirit of a conqueror. Liberated and independent Cuba and the Philippine Commonwealth are our witnesses. In spite of the pacific attitude of our people the United States has in the past been forced to draw the sword. While we pray God that we may never again be summoned to the crimson bar of a military court, our national interests and security require that we be prepared to assert and maintain our and security require that we be prepared to assert and maintain our rights when violated or our security when threatened.

The profit element in war has come to be regarded by a great proportion of our people as one of the motives of greedy interests to agitate and foment causes that may provoke armed conflict. History reveals that even in America in times of national peril there have been those who profited unduly from the misfortunes of our countrymen. Even in the long and bitter struggle of the Revoluour countrymen. Even in the long and bitter struggle of the Revolution profiteers and contractors grew rich. From the camp where his ragged soldiers were assailed by hunger and the biting blasts of winter, General Washington bitterly protested against their extortions. In the War between the States favored interests reaped huge financial rewards while armies staggered in the throes of death. Even in the Spanish-American War, though of slight duration and of modest military operations, embalmed beef and other scandals are yet vividly remembered. In the World War, while there was little of scandal or criminality revealed in war contracts, it is true that inordinately high profits were garnered by those dealing in munitions and supplies. by those dealing in munitions and supplies.

The American people want unfair profits taken out of war, both to deter incitement to war and to obviate in time of crisis uncon-

to deter incitement to war and to obviate in time of crisis unconscionable profits to a few at the expense of the many.

At the last session of Congress the House passed what is known as the McSwain bill, having for its purpose the drafting of industry and the limitation of profits. This legislation is now pending before the Finance Committee of the Senate. During the recess of Congress in the summer and fall of 1935 the tax experts of Congress and the Treasury Department made an exhaustive study of the McSwain bill and the bill offered by the Munitions Committee as a substitute therefor

mittee as a substitute therefor.

As chairman of a subcommittee of the Finance Committee, As chairman of a subcommittee of the Finance Committee, it has been my duty to conduct an examination and report to the full committee with respect to these measures. The subcommittee has held hearings and has surveyed the measures in the light of expert advice. The difficulty does not lie in any conflict of purpose. The subject is one of such far-reaching magnitude and of such a complex and intricate nature that it requires the most careful and detailed study to devise a measure which will accomplish the wholesome end of taking the profit out of war and yet will not cripple or hamper the Government's efforts in time of war nor impair its revenues.

At the very outset arises the question whether the profit motive

At the very outset arises the question whether the profit motive should be entirely taken away from corporations and individuals. On the one hand, it is urged that in time of war neither individuals or corporations should be entitled to any profit. On the other hand, it is argued that if such a motive is entirely removed there will be little incentive for the expansion of facilities to manufacture and supplies when we have the need of them to ture munitions and supplies when we may be in need of them to prosecute the war. It is also proposed that in time of war author-ity shall be given to the President, as Commander in Chief of the Army, to draft all industries and operate the same under Government supervision. This involves activities of the most gigantic and widespread character and administrative details staggering in their proportions.

Another aspect is the question of Government revenue and whether such legislation should be designed to produce the maximum amount of revenue or whether its chief purpose should be its social and economic effects.

These important questions of policy are being submitted by the subcommittee to the full membership of the Finance Committee of the Senate in order that it may determine such major policies in advance of drafting the details and particular provisions of the

It is our earnest desire that in time of war industry may be conscripted for war service just as the manpower of the Nation of military age is called from home for service on the battlefield. of military age is called from home for service on the battlefield. We propose that prices of war materials and commodities may be frozen as nearly as possible at a level normal prior to the declaration of war. We propose the levying of taxation at such a rate as will capture excess war profits to aid in financing the war and to prevent unconscionable advantage to those not in the armed forces. It is also our purpose that upon the declaration of war the Government may commandeer material resources, industrial organizations, public utilities, and other necessary and useful facilities required for the successful and early termination of the war, and to control and regulate the same for the duration of the crisis.

According to my view, in time of war no corporation or industrial concern should be entitled to receive a profit of more than 4 percent upon its invested capital, and that individuals engaged in the cent upon its invested capital, and that individuals engaged in the conduct of financial, commercial, industrial, and manufacturing enterprises should not be permitted to receive compensation for their services at a higher rate of pay than is received by officers or men in the Army of comparable station or responsibility. Factories and plants and industrial enterprises should be subject to the same motives of patriotism and service to country as are the men who are called to the colors. Corporations should be made to feel in time of war, at least, that they have a soul. Dollars and machines and the brick and stone and concrete of great industrial enterprises should be made to serve in time of war the country whose flag protects them and gives them security no less than the private citizen who must lay down the implements of his toil or leave the books and activities of his profession or calling to grasp in his hands the weapons of war and to march forth to meet the enemy and perhaps to die.

The American Legion has rendered to America a distinct and

The American Legion has rendered to America a distinct and outstanding service in advocating and making a part of its program the plan to take the profit out of war. The veterans of the Legion have seen war. They know something of its horrors and miseries. They have seen their comrades in the shock of the charge spill their blood on foreign soil. At the country's call they abandoned their peacetime occupations. Returning from the battlefields of Europe they brought back the flag wrapped in a new and gleaming luster. On battlefields where continental armies had marched and struggled for 2,000 years they blazed a glorious pathway for American arms. They returned to find that many of those who remained at home had profited and prospered while they had sacrificed and suffered. The veterans of the World War are now determined that if in the future out of the World War are now determined that if in the future out of the tangled web of international complications America should be forced reluctantly to draw the sword industries and profits and dollars and machines and factories shall all alike be called to the colors, along with the manpower of the Nation, and that with one spirit and with a united front the wealth, the resources, and the money of America shall stand in battle ranks by the side of the soldiery of the Nation—men and money shall be marshaled in an invincible army to win victory for the flag and to share equally in the sacrifices of war.

## PROBLEMS OF REEMPLOYMENT-ADDRESS BY SENATOR HATCH

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to have printed in the RECORD an able and informative address on the subject Meeting the Problems of Reemployment, delivered over the radio on the evening of March 24 by the senior Senator from New Mexico [Mr. HATCH].

There being no objection, the address was ordered to be printed in the RECORD, as follows:

## MEETING THE PROBLEMS OF REEMPLOYMENT

Much has been written and much is being said concerning the problems of relief and unemployment. Tonight I refer more particularly to how we are meeting the problem of reemployment. Obviously, there is a difference in the terms "unemployment" and "reemployment", even as there is a difference in the problems.

Unemployment brings the thought of men out of work, of men

in desperate straits and circumstances.

Many persons view our perplexing conditions solely from such standpoint. They assert the problem is merely a matter of private charity, to be assisted and supplemented perhaps by aid from State and Federal agencies.

Others who view the problem from somewhat the same angle contend a Government subsidy or system of dole is the solution. Those who think of charity or of a dole are not thinking in terms of reemployment. However, if they are correct in their thinking,

the problem can be met readily. Americans have ever been noted for their generosity in times of distress and want. The dole can be arranged. Through its taxing powers, the Government can raise funds sufficient to insure a system of dole.

Reemployment admits that temporary treatment has required direct relief, and also that there will always be cases which are for the usual channels of charity. Reemployment contemplates and thinks of sending millions of men marching back to useful, suitable employment at adequate, gainful wages, to employment which shall provide a sense of security, permanency, and stability. Reemployment urges the fundamental American philosophy of opportunity to work for all who have the will to work. Mark you, this American philosophy of reemployment concerns those who have the will to work. It does not include the indolent or shiftless, who are unemployed from choice. With rapidly increasing activity in every line of business, the unemployed must cooperate and help solve this vexatious problem by exerting every possible effort to secure private emploment. For their own welfare and the welfare of the country as a whole, this must be done.

To so order our economic life to make the principle of reemployment as thus outlined a reality is no minor task. It requires our best thought and attention. It is the problem of reemployment as distinguished from the problem of relief and unemployment.

ment.

Many new remedies and thoughts are suggested, but I shall content myself in mentioning only a few of what seem to me to be fundamental factors. It must be remembered the problem with which we deal is not exactly new. It has plagued this country before. Even in the so-called boom period of great industrial expanse, of large incomes and swollen fortunes, many able, ambitious, industrious American citizens were unable to find work because there was no work for them to do.

In the spring of 1933 the battle lines were rather definitely established. Two fronts challenged. The methods of attack differed as the problems differed.

fered as the problems differed.

established. Two fronts challenged. The methods of attack differed as the problems differed.

For the emergency, to care for the immediate needs of those in want and distress, plans for direct relief were laid and carried out quickly. But direct relief was never considered as an answer to the problem. It was and is temporary. It must not be permanent.

To meet the problem of unemployment, vigorous and aggressive measures along lines of reemployment were initiated and carried on. It is here we find the attack along lines which may seem old, but, nevertheless, the measures adopted recognize and deal with certain fundamental aspects of the problem, which must be met.

It was correctly understood that unemployment continued and successfully resisted efforts to reemploy, because the buying power of the Nation had completely dried up during the depression years. It seemed necessary, as it was necessary, to restore purchasing power to the people of America before any advance could be made. Business and industry could not reemploy without markets for the products of business and industry.

The greatest of all American markets, that of the American farmer, had dwindled to almost nothing in the spring of 1933. Agriculture, therefore, presented the first battleground. On that front a steady conflict was waged. Decidedly the trend of agriculture is upward.

Agriculture, therefore, presented the first battleground. On that front a steady conflict was waged. Decidedly the trend of agriculture is upward.

In 1932, according to figures from the Department of Agriculture, the average net income of the American farmer was \$244. That average has been increased nearly three times. In 1935 it was \$630. Not enough yet, but decided progress has been made. The purchasing power of the farmer has been increased. He has again become a buyer. The armies of the unemployed were weakened; the troops of the reemployed were strengthened and men are marching back to work today as a result of the increased purchasing power of the farmer.

To advance business and industry, to increase productive activity, and to aid labor a direct offensive to increase the purchasing power of those who labor was commenced. The N. R. A. was a direct attack on low wages, long hours, child labor, sweatshop methods, and all such evils. But on the battlefield of N. R. A. reverses were met. N. R. A. is dead. Whether it was good or bad is not material at the moment, except to say that there was enough good within the purposes of N. R. A. to cause industry to retain many of its provisions.

In the current issue of Collier's Weekly this statement is made: "With the disappearance of N. R. A. child labor returned." Child labor was returned because child labor was cheaper. The forces of reemployment were repulsed when child labor returned. But not-withstanding the reverses the battle against low wages, long hours, child labor, and sweatshop methods will go on.

Another attack to increase production, to aid business and industry, and to restore purchasing power to labor was made through the public works building program. Through P. W. A. and W. P. A. great building projects have been undertaken and are being carried on today. Every section of our country is benefited directly and indirectly by the building program. Speaking in the Senate re-

great building projects have been undertaken and are being carried on today. Every section of our country is benefited directly and indirectly by the building program. Speaking in the Senate recently, Senator Hayden, of Arizona, illustrating some of the benefits of the building program, said:

"At least 70 percent of the money already spent for materials has gone directly into the pockets of hundreds of thousands of men called back to work in mines, mills, factories, and on transportation lines throughout the country.

"No one will dispute the fact that the Public Works Administration has been a potent factor in generally improved economic conditions."

The battle on this front continues. It is gaining power and strength each day. Here the forces of the unemployed today retreat before advancing troops of the reemployed.

Whether you agree or not, may I call your attention to another vigorous blow struck by the administration against the evils which helped to dry up the sources of purchasing and buying power in America. I refer to the policy which resulted in the reduction of the gold content of the dollar. Criticism from some sources has been leveled at this measure.

It takes no expert in monetary matters to know that money had become so abnormally high in value, it was one of the chief obstacles standing in the way of recovery and reemployment. In our well-known worship of the dollar, it took courage to assall the citadel of the money king. But the assault was made. It was successful.

Almost without exception, today it is acknowledged and conceded the administration's firm stand in reducing the gold content of the dollar has been a decided gain and advance on this

I mention only a few of the factors involved in this great effort toward reemployment and against the forces of unemployment. There are other elements of great importance. The National Reemployment Service directly attacks the problem of unemployment, and daily aids reemployment along substantial and contractive lines. structive lines.

Unemployment insurance, old-age security, labor boards to handle industrial disputes, retirement acts, and humanitarian measures of similar nature and kind, are designed to aid in the war against unemployment, not only for the present but for the years

In speaking of the problem and the various measures taken in connection with it I am not unmindful of certain figures and staconnection with it I am not unmindful of certain figures and statistics which point to large numbers of men unemployed and on relief today. There is much controversy and conflict in opinion as to the estimates, but, regardless of whether they are correct or not, it seems to me the greater the number of unemployed the more vigorous must be our efforts to provide reemployment and to continue the fight on the causes and conditions which bring about unemployment. about unemployment.

about unemployment.

Obviously the condition seems to require further intense study, the acquisition of all possible information, and the elimination of all incorrect details, if any exist. Along this line, I introduced a resolution in the Senate recently which provides for a comprehensive study, survey, and investigation of the entire problem of unemployment and relief. It seemed that such an investigation would be helpful in solving the problems of the moment; also that it should be helpful in shaping future course and policy.

I think Congress is charged with grave duty and responsibility here. Certainly it is charged with the duty of understanding the problem as thoroughly as possible.

here. Certainly it is charged with the duty of understanding the problem as thoroughly as possible.

Commenting on the need for data and information in connection with these problems, the New York Times in an editorial said, referring to unemployment and relief, "No one has yet accurately measured the problem." The resolution to which I refer seeks to measure the problem accurately.

But again referring to the problem of reemployment and the

advances made. I must repeat that progress has been and is being made. According to the Secretary of Labor, "approximately 5,000,000 men and women who were without jobs in March 1933 have since been returned to work in private industry. More than 4,000,000 others have found work on P. W. A. construction projects, in C. C. C. camps, on State road work, and on P. W. A. jobs."

Even if we wish to disregard the 4,000,000 on public works, we must admit that 5,000,000 men going back to work in private industry is real progress. It means increased buying power.

industry is real progress. It means increased buying power.

Technological unemployment presents its serious problem. Here, indeed, lies a fundamental matter which must be met. In a recent study Dr. Moulton, of the Brookings Institution, observes that not only must purchasing power be expanded, but he urges increased economies can be had through the use of the machine; wages need not be reduced, but prices must be reduced in order to provide more consumption in the low income-tax groups. Others urge the shorter day and the shorter week. Similar and other remedies are suggested. Certainly, here labor and industry must regard their cause as a common one. Purchases of tear gas, guns, and ammunition will not solve the problem.

Machinery must not be abandoned; but if it is used only to replace men and increase profits, those who find it a means of temporary gain will awaken to find that it has been the means of their own destruction. The machine must not be the master

of their own destruction. The machine must not be the master of man; man must remain the master of the machine. That which is designed to save human labor must not be allowed to

destroy human beings.

Here, I repeat, we are reminded of the high duty and responsibility of business, labor, and industry to cooperate and work together for the advancement of the common welfare and good.

The thought of united effort and cooperation was suggested by the President in his recent message to Congress on unemployment

and relief.

While increased purchasing power has resulted and has caused better markets and increased productive activity, and while men are marching back to work, we can well remember the President's plea for cooperation, for the battle is not yet finally won.

The President well said the problem is common to all. In this connection, may I recall his words:

"It is a problem to be faced, not merely by Congress and the Executive, not merely by the representatives of Government in the States and localities, but by all the American people."

ADMINISTRATIVE LAWMAKING-ADDRESS BY COL. O. R. M'GUIRE

Mr. LOGAN. Mr. President, I ask unanimous consent to have printed in the RECORD a radio address on the subject Administrative Lawmaking, delivered by Col. O. R. McGuire, chairman of the committee on administrative law of the American Bar Association, on March 17, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

printed in the Record, as follows:

My fellow citizens, the late Theodore Roosevelt once said that "No man is above the law and no man is below it; nor do we ask any man's permission when we require him to obey it. Obedience to the law is demanded as a right, not asked as a favor." The basic law in this country is the Constitution of the United States, which divided all of the power conferred in that document among the legislative, executive, and judicial branches of the Federal Government. It gave to the legislative branch the exclusive duty and responsibility of making the laws within the limits of the powers conferred, either expressly or impliedly, on the Federal Government; it gave to the executive branch the duty of enforcing such laws; and it gave to the judicial branch the duty and responsibility for interpreting and applying the laws so made to concrete cases as they are brought from time to time before the courts. During the century and a half intervening since the adoption of the Constitution, we have had 21 amendments thereto, but none of them has made any change in its original division of governmental power.

none of them has made any change in its original division of governmental power.

However, such division is approximate and not absolute. Each of the three branches exercises, in practice, some of the power which is theoretically that of the other branches, and it is by virtue of this fact that we find the executive branch not only enforcing the law but making some of the law which it enforces. We refer to the law made by the executive branch as administrative law. Also the executive branch must interpret and apply the law to concrete cases and controversies as they arise in the adminlaw to concrete cases and controversies as they arise in the administration of the Government, and it is this combination of legislative, executive, and judicial power in the hands of the Executive which has led to serious complaints within recent years, particularly in those instances where the administrative decisions on the larly in those instances where the administrative decisions on the law and the facts are not reviewable in a tribunal absolutely independent of the executive branch of the Government. Such complaint is made more pertinent by the fact that only the lower grades of Government employees are career men and women, appointed and promoted on the basis of merit, under the civil-service laws, while practically all of the chief administrative and many of the semijudicial positions of power and responsibility in our complex Government are filled on the basis of political service to the administration in power for the time being and that generally such chief administrative officers change with each change of administration. administration.

Such a situation has come about during the course of many years. The Constitution imposes on the President the solemn and awful duty of seeing that the laws are enforced; but the President cannot personally administer and enforce all of the laws. He has cannot personally administer and enforce all of the laws. He has a large force of subordinates in the executive branch of the Government to aid him; and they are not only located in Washington, at the seat of government, but they range the Asiatic plains in search of drought-resisting plants; they patrol the Bering Sea to protect the seal herds from extinction; they are stationed in the capitals and principal cities of the world; and they not only transport and deliver the mails but they collect the internaltransport and deliver the mails but they collect the internalrevenue and customs taxes, search for violators of Federal laws,
run the armed forces of the country, and perform countless other
tasks. These men and women, wherever located, and whatever
may be their duties, are controlled by means of rules and regulations issued by the President or by his chief advisers; that is, by
administratively made law.

Such rules and regulations prescribing the duties of subordinates.

Such rules and regulations prescribing the duties of subordinates, filling in the interstices of the law, and directing what shall be the decision or action in various situations, likely to arise in the enforcement of the law, are known as administrative laws. The Congress did not undertake to determine in the statutes the details of administration, even in the early days, when governmental processes were comparatively simple. Likewise, it does not undertake to do so today. It is humanly impossible for any Congressman or Senator to sufficiently familiarize himself with all of the details of administration of the various laws to enable him to legislate with respect thereto, even if the constituents of such lawmakers

with respect thereto, even if the constituents of such lawmakers did not impose on them many duties which have little, if anything, to do with lawmaking but, nevertheless, consume time and energy which could otherwise be devoted to studying proposed legislation.

Some delegation of lawmaking power to the executive branch of the Government is absolutely necessary—not only because it is impossible, in practice, for the Members of Congress to familiarize themselves sufficiently to legislate with respect to details of administration but because a degree of flexibility is essential in the administration of the law to meet changing conditions and circumstances. A statute descending into details permits of no discretion in its administration; and our great machinery of government in its administration; and our great machinery of government cannot be run efficiently, economically, and fairly without some discretion in the officers and employees charged with the administration of the laws.

It is a fine point as to the amount of discretion which may be conferred by the Congress on the President in the administration of the law; that is, in the issuance of rules and regulations. The

matter has been before the Supreme Court of the United States on several occasions, and such laws were uniformly upheld until the two recent judgments of that court in the Hot Oil and Schechter cases. These two cases arose under the National Industrial Recovery Act of June 16, 1933. The Court held that this statute was unconstitutional in certain respects because it falled to prescribe a standard and declare a policy for the guidance and control of the orders and regulations issued or approved by the President under such statute. However, such rule is not impossible of observance by the Congress, and we may confidently expect that during the coming years the legislative branch will be careful to state a policy and prescribe a standard in the statutes for administratively made laws and that the courts will not be astute to find reasons for refusing to enforce the statutes.

The danger to American institutions of government does not lie matter has been before the Supreme Court of the United States

astute to find reasons for refusing to enforce the statutes.

The danger to American institutions of government does not lie so much in abstract questions as to whether a particular detail should have been stated by the Congress in a statute rather than in rules and regulations issued under the statute. The danger lies rather in the failure of our machinery of government to provide in all cases—not involving our foreign relations or the conduct of our armed forces—for a review of the law and the facts of any controversy with the administrative branch of the Government in a tribunal absolutely independent of the Executive. The citizen is not so much concerned whether the detail of the law has been enacted by the Congress or is contained in a rule or regulation enacted by the Congress or is contained in a rule or regulation issued by the administrative branch of the Government as he is in knowing that the law does not transcend the Constitution and that the facts of his claim or controversy with the United States

in knowing that the law does not transcend the Constitution and that the facts of his claim or controversy with the United States are fairly and fully determined.

The American Bar Association, through its special committee on administrative law, and several Members of the Congress, have been engaged for a number of years in the study of this problem of our constitutional form of government in the twentieth century, and particularly with the devising of machinery which will enable any citizen to secure an independent review of both the law and the facts of his controversy with the administrative officials in a tribunal independent of the executive branch of the Government. This is the proposed Federal Administrative Court, as embodied in a bill introduced in the Seventy-fourth Congress by Senator Logan, of Kentucky. The proposal is now in tentative form, has been placed before the 48 State bar associations, and is available for the study and suggestions of all students of government. Its primary purpose is to insure to the citizen review of the law, whether made by the Congress or administratively, to determine whether such law is in accord with the Constitution, and independent review of the facts, regardless of the determinations reached by the administrative officer or employee in the administrative machinery requires the most careful study by all interested elements of our population that there may be maintained in all its vigor a "government by the people, for the people, and of the people."

#### THE NEW DEAL AND THE HOUSEKEEPER-ARTICLE BY SAMUEL CROWTHER

Mr. AUSTIN. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Samuel Crowther entitled "The New Deal and the Housekeeper", published in the Saturday Evening Post of the issue of March 21, 1936.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> [From the Saturday Evening Post of Mar. 21, 1936] THE NEW DEAL AND THE HOUSEKEEPER

# By Samuel Crowther

Do you know that the New Deal and the extravagance it promotes in State and local governments has forced expenditures to a point where you can no longer pay for your Government as you go—that about one-half of the sums paid out are from borrowed money?

2. Do you know that the spending of the New Deal is piling up immense debts and that eventually the money borrowed will have to be paid out of additional taxes?

- 3. Do you know that women own 80 percent of the life-insurance policies, 65 percent of the savings deposits, 44 percent of the publicutility stocks, 48 percent of the railroad securities, and 40 percent of the real estate?
- 4. Do you know that women contribute each year \$80,000,000 in taxes on life insurance, \$83,000,000 in inheritance taxes, and \$2,000,000,000 in real-estate taxes?

5. Do you know that there are about 200,000 Federal, State, and

5. Do you know that there are about 200,000 Federal, State, and local taxing bodies, all lying in wait for your dollar?

6. Do you know that in 1913 only \$1 out of every \$15.50 you earned went for taxes; that in the depths of the depression in 1932 \$1 out of every \$5 went for taxes; and that under the New Deal \$1 out of every \$4 is being taxed from you?

7. Do you know that the unseen dollar a week you pay out of every \$4 of income will, at the present rate, soon be \$1.50?

8. Do you know that the Nation is spending almost \$15,000,000,000 a year for government and that the total income of those with incomes of \$5,000 a year and over was only \$5,707,071,000 in 1932, and is not much more now?

- and is not much more now?

  9. Do you know that \$5,700,000,000 of income cannot pay \$15,000,000,000 of Government expense, and hence at least two-thirds of the cost must be borne by those whose incomes are less than \$5,000 a year—many of whom think they pay no taxes?

- 10. Do you know that if all incomes over \$5,000 a year were taxed 100 percent and the proceeds distributed the result would be only \$9.77 per person?
- 11. Do you know that the oldest political game in the world is concealing who actually pays the taxes by pretending that the rich pay them?
- 12. Do you know that those who directly pay taxes contribute only a relatively small part of the cost of government and that the big contribution is by those who think they pay no taxes?

  13. Do you know that taxes, no matter who writes the checks, can come only out of what is produced? Taxes are not collected from land, for instance, but from what the land produces in the way of rent or crops way of rent or crops
- 14. Do you know that soaking the big corporations is soaking the wage earners in those corporations? Do you know that a corporation is only a pipe-line arrangement for bringing together capital, goods, and labor, and that present taxes exceed profits, and hence are levied on goods and wages?
- 15. Do you know that wages make up, on the average, about 85 percent of the cost of production, and thus taxes crush the buying power of wages?
- 16. Do you know that in nearly every purchase you pay (1) a corporate-income tax, (2) an excess-profits tax, (3) a capital-stock tax, (4) a gasoline tax, (5) a manufacturers' excise tax, (6) a personal-income tax, (7) a commodity license tax, (8) an occupational license tax, (9) an electricity tax, (10) a communications tax, and (11) an insurance tax? Some goods bear more than these taxes; others bear less.
- 17. Do you know that the dollar was devalued 40 percent in order to raise prices and make debts easier to pay? Do you know that your savings accounts and insurance policies are debts owing to you and that, if dollar devaluation is wholly successful, you will have 40 percent cut from the buying power of your savings?
- 18. Do you know that the operating taxes of utilities were about 40 percent more in 1935 than in 1933, and that these work out to around \$1 a meter a month? So bills of a dollar a month do not even cover taxes.
- 19. Do you know that in your telephone bill you pay, on the average, \$6.76 a year in taxes?
- 20. Do you know that a considerable portion of what you pay for a telegram is taxes? For taxes take 60 percent of the net profits of the telegraph companies.
- 21. Do you know, if you own stock in an oil company, that the companies paid an average tax of \$5.23 a share, while you got only an average of \$1.02 a share?
- 22. Do you know that when you buy gas or oil at a filling station you pay, in addition to the tax you see, more than 200 unseen
- 23. Do you know that you pay \$62.72 in taxes, on an average, for the first year's use of a light automobile?

  24. Do you know that a loaf of bread accumulates at least 52 taxes on its way to your table?

  25. Do you know that these bread taxes amount to about 2
- cents a loaf?
- 26. Do you know that when buying a loaf of bread you pay more for taxes than for the wages of the people who make and sell the bread?
- 27. Do you know that you pay through the manufacturer 94 taxes and through the druggist 78 more taxes on a bottle of medicine at the drugstore?
- medicine at the drugstore?

  28. Do you know that on perfumes, toilet waters, cosmetics, and toilet powders you pay 10 percent of the sales price as a tax? Do you know that on tooth paste, toilet soaps, and mouthwashes you pay 5 percent of the sales price as a tax?

  29. Do you know that when smoking a cigarette you are smoking a tax—that the Government gets more than the farmer, the manufacturer, or the retailer?
- 30. Do you know that in buying an alarm clock you pay a 10-percent luxury tax imposed on the manufacturer, as well as some 30 other taxes?
- 30 other taxes?

  31. Do you know that in paying for a funeral you pay 157 taxes? Of these, 56 are paid by the manufacturers of funeral supplies, 51 by the funeral directors, and 50 by the burial places.

  32. Do you know how to figure out what your income or earnings would be if so much money were not diverted before you ever had a chance to see it? One company with 16,000 men pays an average tax per employee of \$1,525 a year as against average wages of \$1,725 a year.

  33. Do you know that under the Social Security Act all prices must rise and that some will rise from 10 to 20 percent for a doubtful benefit in old-age pensions to less than 3 percent of the community?
- community?
- 34. Do you know that the alternative to raising prices is lowering wages and salaries?
- 35. Do you know that raising prices or lowering wages as a result of laws amounts to the same thing, and is the most cruel form of concealed taxation?
- 36. Do you know that a tax levy is only an assertion made by the Government that it knows better how to spend your dollar
- the Government that it knows better how to spend your dollar than you do?

  37. Do you know that through taxes the Government can deny you the right to enjoy your earnings and your home?

  38. Do you know that taxes are running between 20 and 25 percent of the national income?
- 39. Do you know that, if taxes mount to 35 percent or more of the national income, state socialism will have arrived, in fact if not in name, and you will be the powerless pawn of the politicians?

40. Do you know that socialism and communism are founded on a denial of the American precept that a dollar primarily belongs to the one who earns it?

SENATOR GORE'S REPLY TO "OPEN LETTER"

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by me in reply to An Open Letter to Senator Gore, which was published in the Independent, of Oklahoma City, Okla. I also ask unanimous consent to have printed in the RECORD several other matters which will be furnished later.

There being no objection, the reply was ordered to be printed in the RECORD, and permission was granted to print the other matters subsequently. The reply to the open letter is as follows:

UNITED STATES SENATE, Washington, D. C., March 14, 1936.

The Editor the Independent, 519 West California, Oklahoma City, Okla.

My Dear Sir: A copy of the Independent carrying an article entitled "An Open Letter to Senator Gore" came to my office several days since, but came to my personal attention only this morning. I am in debt to the Independent for reproducing passages from a speech which I delivered at Frederick during my last campaign for the Senate. In that speech I paid homage to the spirit and sacrifices of the Oklahoma pioneer; the spirit which has made Oklahoma, which has made America great in the past, and which slope can keep them in the future.

You ask, "Can it be possible, Senator Gore, that you have forgotten the pioneer days, and the part you played in the carving of a new Commonwealth upon these great western plains?" Of course not. The sentiments and convictions which I entertained course not. The sentiments and convictions which I entertained then I entertain now—without variableness or the shadow of turning. I have never acquired the facility of the chameleon to change its color to suit its surroundings. I have tried to steer my course by the fixed star of principle, and not by the shooting stars of expediency. Some of my best friends and some of my worst enemies think that I have succeeded too well; think that I have defied the inevitable; think that like the dust-covered tops of Little Boy Blue, I have "stood sturdy and staunch" when I ought to have aped the gyrations of the political weathercock.

You state, "Many of my friends and associates have written to

you asking an expression concerning your views of the Patman-Robinson bill, which will be an issue before Congress in the near future." I have from time to time received several letters and telegrams concerning that measure. That bill, it happens, did not pass through a committee of which I am a member. I was, therefore, not familiar with its terms. I could not make answer until I could study its terms and analyze its provisions. This measure and not and has not yet come up for consideration in the Senate. Other matters that were pending and pressing had to be given immediate attention. Much of the time, I, as chairman of the Interoceanic Canals Committee, was in charge of the Panama Canal tolls bill on the floor of the Senate.

The very first moment that I could, I gave consideration to the bill with which you are concerned. I found really to my surprise

The very first moment that I could, I gave consideration to the bill with which you are concerned. I found, really to my surprise, that it was nothing more nor less than an amendment to section 2 of the Clayton Act which became a law in 1914. I was a member of the Interstate Commerce Committee which prepared the Clayton Act. I was much interested and took part in the preparation of section 2. It bears my fingerprints.

I find that the Robinson bill is designed to close the loopholes

I find that the Robinson bill is designed to close the loopholes and correct the abuses which experience has disclosed in the operation of the Clayton Act. It seems to me that the measure is reasonably well drawn and calculated to effectuate that end. In that belief I shall give it my support.

Much of my public life has been made up of an effort to prevent the big fish from devouring the little ones. I am not willing to see the little man driven out of business. If we permit him to perish

the little man driven out of business. If we permit him to perish we will miss him when he is gone—when it is too late. My platform in my last race contained only six words: Less taxes, more trade, no trusts. Upon those principles and upon those promises I still stand, and shall stand. This Government should guarantee equal rights and equal opportunities to each and every one of its citizens. That is the highest duty of government, if not its only duty.

There is no foundation in fact for the irresponsible rumors which you embody in your questions. Of course, I have no way to prevent rumor through all of her hundred mouths and all of her forked tongues, from poisoning truth. These rumors were invented and circulated, not to serve the cause of the businessman, but to injure me in my coming race for reelection to the Senate.

You had the justice to say that "I saw you crucified once because you followed the dictates of your conscience and refused to vote for war." I was crucified. I lost my seat in the Senate because I wanted to keep American boys out of the bloody charnal house of Europe. I was misrepresented then as I am misrepresented now. The people were misled then as they are sought to be

sented now. The people were misled then as they are sought to be misled now. As you know, the very men who crucified me then are seeking to crucify me now. They are attempting to defeat me for the Senate.

There is no more truth in the various misrepresentations which you cite and quote than there was in the misrepresentations which resulted in my defeat, and as you say, in my crucifixion in 1920.

You also state that, "Frankly, I discounted these stories at first, as I believed that they came from political enemies, and had

been circulated for a definite purpose." As is so often true, your first impression was your best impression. These stories were fabricated and circulated by my "political enemies" in order to mislead the people, in order to deceive the people, and to defeat me. That is their "definite purpose."

Let me say to the people, "Be not deceived."

Very sincerely,

T. P. GORE.

TAXATION, DEPRESSION AND RECOVERY, AND CREDIT

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD certain matters to be furnished later.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

ADDRESS OF HON, THOMAS P. GORE, OF OKLAHOMA, BEFORE THE NATIONAL TAX ASSOCIATION CONVENTION AT OKLAHOMA CITY, OCTOBER 16, 1935

Mr. Chairman, ladies and gentlemen, and delegates to the con-Mr. Chairman, ladies and gentlemen, and delegates to the convention, I am happy to join other officials of this State and of this city in tendering to you a most cordial welcome to our splendid young commonwealth, as we believe we have the land of youth, and the land of promise, of hope, and of faith, and of optimism. You know, I think the professional optimist and the professional pessimist are guilty of the same failing—they look at the facts through stained spectacles. But in Okiahoma we indulge a rational optimism, and I never knew it to be better illustrated than last spring when the dust storms were prevailing here and which visited even the eastern coast and visited the ships at sea. During the worst of those storms a man was riding along out in the visited even the eastern coast and visited the ships at sea. During the worst of those storms a man was riding along out in the Oklahoma Panhandle and he saw a hat lying on a dust heap. He picked it up and underneath the hat was a human head, and he said, "Hello, neighbor, can't I give you a litt"? "Oh, no," said the man, "I am on a horse, and I will get out all right." Now, we people in Oklahoma with that spirit will come out all right. I was out to the panhandle last week and I heard another story which accentuates the optimism of that region. During the worst of the dust storms, with the dust like the Persian arrows above which accentuates the optimism of that region. During the worst of the dust storms, with the dust like the Persian arrows above Thermopylae, it was necessary to pull your car in at noonday to the sidewalk and wait until the dust and the darkness had gone. There was one car occupied by a number of young men and young women, they pulled in to the curb and while they were waiting for the light to return they passed the time singing the old song, "We have the blues when it rains."

Times are improving and we all with the context that it is the same are the same and we all with the context that it is the same are improving and we all with the context that it is the same are improving and we all with the context that it is the same are improving and we all with the same are in the same are improving and we all with the same are improving and we all with the same are interest.

"We have the blues when it rains."

Times are improving and we all wish to accelerate that improvement. There are many signs that the East is reddening, that the gray dawn is breaking. We can all see signs and have the belief that the unrisen sun is even now blushing to the dawn.

My friends, I desire without too much pedantry to give you my definition of statesmanship as a sort of background to what I shall say. Someone has defined a statesman as one who computes secondary reactions. Almost anyone can compute primary reactions. My definition would be that statesmanship is computing the final effects, not the first effects. Almost anybody can see or foresee what the first effect of legislation or any other policy will be. It is not the first effect or primary reaction that determines the character of your legislation. It is what settles down as the final effect, as the finished product. We ought to consider the effects of our legislation and we ought to consider the effects of our legislation and we ought to consider the effects of taxation upon our economic structure, upon our economic well-being. We ought to consider the effects of taxation upon the character of our people if those things have any reaction upon their character, because, after all, our institutions are made in the image of our people.

I am not a tax everet and I feel my limitations in addressing an

in the image of our people.

I am not a tax expert and I feel my limitations in addressing an assemblage of experts. Any hope that my remarks might have any interest at all will be due not to what I shall say but rather to the point of view from which I speak—the point of view not of an expert but of one who has been engaged in the practical matter of tax legislation.

I served some 19 years in the Senate, and 13 years on the Senate Finance Committee, which deals with taxation. And I have dealt with taxation as a fact and not as a theory.

I have chosen this evening the subject, Our Strength and Our Burden. I chose that subject not in order to play the part of the skeleton at the banquet but I do think that we all should weigh our burdens as well as our strength, and measure our strength as well as our burdens. We ought to emulate rather than the strength as the part of the strength. strength as well as our burdens. We ought to emulate rather the ant than the grasshopper, rather the bee than the butterfly, and take some account of the future. It is said that the chief difference between the savage and the civilized man is to be found in the fact that the latter makes provision for the future and the former does not. The views which I shall express in this presence may be regarded as somewhat primitive, as somewhat archaic but the express here assembled but I am one of those who still by the experts here assembled, but I am one of those who still believe that taxation is a necessary evil, or, to say the best, that it is a necessary burden. I do not believe there is any such thing as a good tax. Some taxes are better than others; some are worse than others

the power of taxation would be salutary ends and aims; but some-one with less wisdom or less infallibility than myself might resort to the taxing power even to undo the idealistic schemes which I had

I presume that nearly everyone has some scheme or dream for distributing wealth, for sharing the wealth of the land. Personally, I think that those who share the work should share the wealth, and that those who share the wealth should share the work, wealth, and that those who share the wealth should share the work, and they should share the wealth in proportion to what they contribute to the production of wealth. That is the best way—if, indeed, it is not the only way—to keep the hand of the privileged out of the pockets of the unprivileged. For my part, I desire to do so. The great scholar John Fiske, of President Long's State at one time, declared that where the power to tax resides there sovereignty resides. The power to tax, the power to take what one man has earned by the sweat of his brow and apply it to the uses or the needs of another man or other men, is the power of sover the results. or the needs of another man or other men, is the power of sovereignty. Indeed, that is almost as much power as any tyrant has sought or has coveted. I believe it was Hegel who said that the sought or has coveted. I believe it was Hegel who said that the only lesson that we learn from history is that we learn no lesson from history. But there is one lesson so conspicuous that we cannot fail to learn it; that lesson is that many of the greatest revolutions of the past have been due to excessive and ruinous taxation. Rehoboam laid a heavy yoke on Israel. He told them that his little finger would be thicker than the loins of his father; and he drove the 10 tribes into rebellion, and they established an independent bringdom.

Charles the First of England resorted to arbitrary taxation in the form of ship money, and that first lost him his crown and then

lost him his head.

The British Parliament imposed taxes upon our colonial ancestors without their consent and revolt rent the British Empire asunder. Excessive taxes imposed by the King of France and the nobles of France precipitated that country into revolution, one of the bloodiest revolutions in all the bloody tides of time. But this subject is interesting not on account of these revolutions in the past, not alone on that account; the subject of taxation is of vital concern today to every inhabitant of every civilized nation on the globe. It touches every man, woman, and child. The pressure of taxation is as universal as the pressure of the atmosphere upon the earth's surface. It touches every point, it touches everyone. There is no exception to that rule in a civilized land.

John Marshall, Chief Justice of the United States, said more

exception to that rule in a civilized land.

John Marshall, Chief Justice of the United States, said more than a hundred years ago: "The power to tax is the power to destroy"—the power to tax is the power to destroy. Justice Miller, of the Supreme Court, commenting upon that dictum of the Chief Justice, said that at first blush it might seem to be an overstatement, but upon fullest analysis it proved to be literally true. He said that the government that can tax your property or your income 1 percent can tax it 10 percent, can tax it 100 percent, and can really make your property and your income valueless to you, can destroy the value of property and the value of your income.

Delegates to this convention, let us see how omnipresent is this taxing power.

can destroy the value of property and the value of your income.

Delegates to this convention, let us see how omnipresent is this taxing power.

In the United States today we have 182,651 governmental units vested with the sovereign power to tax, vested with the sovereign power to levy taxes, to collect taxes; vested with the sovereign power to create debts; vested with the sovereign power to create debts; vested with the sovereign power to destroy—182,651 governmental units, including school districts. That is one taxing unit for every 16 square miles in the United States, one taxing unit for every 700 inhabitants of the United States. This system of taxation is not only extensive, it is intensive; it is not only horizontal, it is vertical, it is a pyramid.

Here in Oklahoma City there are five governments or subdivisions of government which impose taxes upon the inhabitants of this city. The Nation taxes the taxpayers in this city; the State taxes the taxpayers in this city; the county taxes the taxpayers in this city; the cluty taxes the taxpayers in this city; the school board taxes the taxpayers in this city; to take no account of special assessments for special improvements.

There are the hands of five governments in the pockets of the taxpayers of this town in each and every case. What have these five governments taken from the pockets of the taxpayers with their five hands? They have taken \$130—not \$130 for every taxpayer in Oklahoma City—but these five governments take \$130 from every man, woman, and child within the gates of the city. I speak, of course, of the per-capita tax, which, in this city, as throughout the United States, amounts to \$130 per capita. That is \$650 of taxes extracted from every family of five within the Republic. Now, \$650 is one-half the annual income of our wage earners prior to that evil day when prosperity disappeared around the corner—\$130 apiece for every infant in the nursery.

Now, when the Government exercises the taxing power, just what does it do? Simply operates a si

taxpayers should dominate the Government. He said he feared that would be an evil day for our free institutions. Other democracies have died. The graveyard of the nations has many tombstones marking the burial place of free governments, of democracies, and of complicite He said he feared

of course, I am not talking of politics now; but we do not want to run by all the stop lights. We include in a good deal of fine talk about obtaining money from the Public Treasury, and all our appropriation bills conclude with this phrase—so much

money "is hereby appropriated out of any money in the Treasury not otherwise appropriated." Now, when you analyze this Public Treasury and break it down into its parts, what does it consist of? It simply consists of an unlimited number of little pocketbooks—
of your pocketbook and my pocketbook—and when the Government of the United States puts its hand into the Public Treasury,
in order to take out a dollar, the tips of the fingers either penetrate your pocketbook and mine, and the dollar that is withdrawn
from the Public Treasury is withdrawn from your private treasury,
from your pocketbook or from the pocketbook of some other honest, toiling, patriotic American citizen. Have no illusions upon that point.

We hear a great deal about grants and loans. The General Government makes loans to States, counties, and cities. If they raise 55 percent, the Government makes a grant or a gift of 45 percent. Just where does that 45 percent come from? It comes out of the pockets of the taxpayers of this country. It is not a gift. In a real sense it represents taxes taken out of your pockets by the Federal Government to supplement the taxes which are taken out of your pockets by the State, county, or local governments—dollars matching dollars.

A great deal of the discussion about tax reform consists merely in redistributing the burdens of taxation. What would really count would be a lessening of the burdens of taxation. To lift the burden from one individual to another is sometimes important, sometimes vital. To lift the burden from one shoulder to another may sometimes be of service. It may stop the goose from squawking. Colbert said the science of taxation consisted in plucking the goose, getting as many feathers with as little squawking as possible. So, this matter of merely shifting the burden of taxation from one to another does not quite answer my ideal of taxation from one to another does not quite answer my ideal of tax reform.

tax reform.

We have taken a glimpse at our burdens; let us take a glance for a moment, at our strength, our assets, our resources. We have today in a substantial sense all the material wealth, all the natural resources, all the physical property that we had prior to the panic. We have all the lands, fields, forests, mines, we have pretty much all the capital, buildings, bridges, railroads, mills, machinery; we have more money, marvelous to tell. Measured in terms of new dollars, we have nearly twice as much gold today, or more, than we had prior to the panic. We have not only all of the material wealth and the natural resources, we have all the human resources, we have all the labor, skill, talent, and enterprise—I hope we have all the enterprise. We have all these natural and all these human resources that we had when we were enjoying a measure of prosperity, and yet these human and natural resources are not quite enough to insure prosperity. Something in addition to all those that we had then we do not have now. What is that thing so essential to prosperity which we had then and which has now taken flight? Some say confidence, and, for the want of a better term, let us adopt the word. But I shall not pursue that subject. pursue that subject.

pursue that subject.

In 1929, the year of the peak and the crash, our national wealth was estimated at three hundred and fifty billions, or a little more than that figure. In 1933 it had shrunk to two hundred and thirteen billions. There was a shrinkage of 40 percent in our national wealth in a period of less than 5 years. In 1932 our material wealth aggregated two hundred and thirteen billions, and in 1932 our debts, public and private, long and short term, aggregated two hundred and thirty-eight billions. We owed twenty-five billions more than we owned; we owned twenty-five billions less than we owed. Now, the individual whose liabilities exceed his assets is in the shadow of bankruptcy. So much for our wealth.

What about our income?

In 1929 our national income aggregated seventy-eight billions. In 1932—and I adopted a different year, I am sorry I have not the statistics for 1932—in 1933 our income had shrunk to forty-four billions, a shrinkage of 43½ percent.

Let us break these incomes down into the several shares, en-joyed by the different groups who take part in production and distribution of wealth in this country—into wages, rents, dividistribution of wealth in this country—into wages, rents, dividends, interest, and profits. The Nation must get its income out of the people's income; the Nation must derive its revenue from the people's revenue, and the people must pay out of their incomes their respective shares of the Nation's income. They must pay out of their wages, their salaries, their dividends, their rents, their interest, and their profits; must pay the Nation's income, or else they must invade their savings or their capital.

From 1929 to 1933—and 1933 was the low-water mark—from 1929 to 1933 wages and salaries shrunk from a little more than fifty to a little less than thirty billions, a shrinkage of 43 percent; profits or what these economists call withdrawals of entrepre-

fifty to a little less than thirty billions, a shrinkage of 43 percent; profits, or what these economists call withdrawals of entrepreneur—whatever that happens to mean—twelve and one-half billions in 1929 to seven and one-half billions in 1933, a shrinkage of 40 percent. Dividends shrank from six billions in 1929 to two billions in 1933, a shrinkage of 66 percent; and remember that dividends in those days were paid out of surplus and not out of earnings. Rents shrank from 1929 to 1933 from three and one-half billions, a little less, down to a little less than one billion, a shrinkage of 70 percent. Interest from 1929 to 1933 shrank from \$5,100,000,000 down to \$4,600,000,000, a shrinkage of only 10 percent. Of course, interest charges are fixed charges, and the most rigid of all, because the interest rate is "nominated in the bond."

Out of these diminished incomes our taxpayers were called upon to furnish our various governments with various governmental incomes—National, State, and local.

In 1932 all our governmental expenditures, National, State, and local, approximated fourteen billions. In 1933 it was a little more than fourteen billions, so that in 1933 as much as one-third of the people's income had to be surrendered by the people in order to pay our various governments the incomes which they required. In other words, \$1 out of every \$3 received in any form—wages, salaries, interest, dividends, rents—was parted with by the tax-payer out of his income to make up the income of our various forms of government. I am not here distinguishing between taxes and loans. I am not complaining of this. I am merely stating the fact, because we ought to have the courage to face the fact. the fact.

the fact.

For the current year our expenditures by the National Government alone are slightly in excess of \$10,000,000,000. It amounts to \$28,000,000 a day. It amounts to a little more than a million dollars an hour—a million dollars an hour not for 6 hours, not for 8 hours of the day, but for 24 hours in the day.

Not long ago Congress passed a new tax measure. It was heralded by some as a measure to "soak the rich", as a measure to make the rich pay their full share of our national governmental expense, a measure to make the rich sit in, and out of their income pay their fair share of the Nation's income or revenue. The rich ought to pay their full share of our governmental expenses. Perhaps they enjoy the greater protection, and they ought to bear a share proportionate to their ability. But, do you know that that measure will raise \$250,000,000 a year, and do you know that \$250,000,000 will pay our running expenses at current rates for a little less than 10 days? We have drafted the rich into service, we are making them sit in, we are making them pay their full share of governmental expenses, and we are making them defray the expenses of the National Government for a little less than 10 days with this additional legislation.

The question that haunts me like a death's-head is this: Who

than 10 days with this additional legislation.

The question that haunts me like a death's-head is this: Who will pay the expenses of this Government during the other 355 days in the year? Not the rich, according to this estentatious computation, because they are to run us for 10 days. The expenses for the other 355 days, are they to be paid by the common man, by the middle classes? Are they to be paid by the producer, by the farmer, by the wage earner, by Tom, Dick, and Harry? Who is to bear this vast burden during the other 355 days?

Did you ever reflect that if the Government of the United States should take each and every income in the United States in excess.

should take each and every income in the United States in excess of \$50,000 a year, the aggregate sum thus taken would pay our running expenses at current rates for less than 5 weeks. I say this in order to reinforce, if I need reinforce, my unvarying insistence that the Government should get a dollar's worth of service or a dollar's worth of work or a dollar's worth of improvements for every dollar that it extracts from the pocketbooks of the American taxpayers

Alexander Hamilton declared more than 150 years ago that the Government had to get its revenue out of the backs and the bellies of the people. I am afraid you will find no other resource in the last analysis; and there is no greater illusion, no illusion more seductive or more cheating, no illusion more false or unfounded upon facts than that the average man does not pay a Federal tax unless his name appears upon the roll of income-tax payers in the United States.

Go down to Massachusetts, where they make the cheat that

Federal tax unless his name appears upon the roll of income-tax payers in the United States.

Go down to Massachusetts, where they make the shoes that we wear. When the shoe factory sold the shoes that you have on your feet, it no doubt collected the cost of the tacks which were driven in to keep the taps on the heels. When you paid for those shoes you paid for the tacks that were driven into the heel. When that factory sold those shoes, it also drove into the heel of the shoe the taxes which it had paid the county, city, State, and Federal Governments whose jurisdiction extended over its factory. And when you bought and paid for those shoes, you paid for the tacks and you paid for the tax—"if you know what I mean." Let no one have any other illusion.

It is not untimely to give these warnings, because the matter cannot proceed indefinitely. We ought to take pause, because nations in the past have fallen on account of excessive and ruinous taxation. I suppose we will not follow in their footsteps, but I will read at this point one passage from a noted historian concerning the fall of the Roman Empire:

"The desire and possibility of accumulation languished and men produced only what would suffice for their immediate needs, for the Government laid in wait for all savings; capital vanished; the souls of men were palsied; population fled from what was called civilization and sought concealment and relief in barbarism and with barbarians."

I do not anticipate or prophesy any such fate for this great

I do not anticipate or prophesy any such fate for this great Republic; but, of course, in order to avoid the end and the fate that befell the Roman Empire, we must avoid the means which

brought those ends to pass.

Just for a moment I wish to make application of these facts to

large, which is \$2,000. I will say in passing that we do not in this State assess mineral property for taxation purposes; but the interest on our indebtedness amounts to \$100,000,000 a year.

Our State and local taxes last year aggregated \$101,000,000, including special taxes. Our share of Federal taxation amounted to \$76,000,000. Our freight and passenger charges last year amounted to \$60,000,000. Our insurance premiums of all kinds amounted to \$50,000,000.

\$50,000,000.

The Social Security Act lately passed will in 1940 impose an additional charge of \$38,000,000 on the people of Oklahoma. In 1945 it will amount to \$45,000,000. In 1950 it will amount to \$56,000,000. And I may say, at this point, that for the country at large in 1940 that measure will impose a charge upon the people of this country—not taxes, but a charge—upon their incomes of \$2,600,000,000; in 1945, \$3,200,000,000; in 1950, \$4,000,000,000. But let us cast this item out of the account as a future rather than a present charge. These various and sundry fixed charges, as you may term them, amount to \$387,000,000 a year in Oklahoma. Oklahoma's share of the national and State and local expenditures comhoma's share of the national and State and local expenditures com-bined last year amounted to \$237,000,000. Two hundred and thirtybined last year amounted to \$237,000,000. Two hundred and thirty-seven million dollars the people of Oklahoma were required to pay last year out of their earnings to defray the expenses of our various forms of government. All the farm produce marketed in this State last year brought \$109,000,000. All the oil marketed in this State last year brought \$183,000,000. All the manufactured products marketed in this State last year brought approximately \$190,000,000. I cite these figures in order to show that we must sooner or later have a care or expenditures will absorb to marketed. have a care or expenditures will absorb too much of our revenues and of our income, and it will not be possible for the citizen to pay both his taxes and his living expenses in accordance with the

Those are problems which you must consider and consider as

experts.
Unemployment has been the most vexatious problem arising out Unemployment has been the most vexatious problem arising out of this depression. The problem of unemployment is still with us, and there is but one solution of the problem of unemployment, and that is employment—that and that alone.

We hear a great deal about the Government providing aid and relief for the unemployed, and we have 10,000,000 of unemployed, and the Government has been providing relief for the families of the unemployed running up to 22,000,000 at one time.

When we speak of the Government providing aid and relief for the unemployed, just what does that mean? In the last analysis it means that the employed are providing aid and relief for the unemployed. That is what it means and that is all that it means. Of

ployed. That is what it means and that is all that it means. Of course, every man that is unemployed, every woman that is unemployed, who needs work and wants work and is willing to work, every such instance is a living tragedy. That is the problem which calls loudest for solution.

An experiment was tried in Waterbury, Conn., which I suggested in the Finance Committee and on the floor of the Senate, which I think might have been serviceable.

think might have been serviceable.

Waterbury adopted this plan early in the depression: She laid a tax of 1 percent on all incomes within the city of less than \$25 a week, 2 percent upon all incomes between \$25 and \$50 a week, 3 percent on all incomes in excess of \$50 a week, One concern, the Scoville Manufacturing Co., paid \$1,500 a week; one brass concern paid \$1,200 a week; another taxpayer a little more than \$1,000 a week. The city appointed four members of a committee of seven, and these three largest taxpayers appointed an additional member each. That committee of seven administered the fund, passing on those who would receive employment, and all that were on the list were required to work. The system worked. According to the last report, it worked with astounding success. Whether it has broken down at the present time I am not advised. I mention that to you now in order that you can take it home with you, because this problem is not yet solved.

One additional thing we should keep in mind is to put our feet in the path that leads to ultimate balancing of the Budget. I introduced Senate Concurrent Resolution 23 before the adjournment of the last session, which proposed to raise a joint termittee of the tast session.

I introduced Senate Concurrent Resolution 23 before the adjournment of the last session, which proposed to raise a joint committee of the two Houses on Revenue and Expenditure, five members from the two Appropriation Committees of the two Houses, five members from the Ways and Means Committee, and five members from the Senate Finance Committee. They were empowered to employ experts, and that committee was charged with the duty of investigating our revenue laws, our resources, and devising our taxation laws and our appropriations so as to bring ultimately our revenues and our expenditures into balance. We cannot balance the Budget overnight, but we can adopt a policy with the balancing of the Budget as a fixed and as a definite objective, and the sooner that objective is determined upon, the sooner we will begin our progress out of this depression, finally to

Just for a moment I wish to make application of these facts to my own State of Oklahoma.

Oklahoma has today two and one-half millions of people. We have 6,353 governmental units exercising the power to tax—1 for every 11 square miles; 1 for every 397 inhabitants. The total value of all our property assessed for taxation purposes is \$1,258,000,000.

Our indebtedness, public and private, long term and short term, aggregates \$2,340,000,000. Our assessed valuation is \$1,258,000,000.

Our indebtedness aggregates \$2,340,000,000. That is \$1,000 for every inhabitant of our State, on the average. The infant in its cradle owes \$1,000, and every family in the State owes on an average \$4,000.

Oklahoma is a young State and has been fortunate. Our percapita indebtedness is only one-half of that for the country at

ciples and those virtues, I doubt not that the glories that are to come will equal, if they do not surpass, the glories that are gone.

REMARKS BY HON. THOMAS P. GORE OF OKLAHOMA ON POST-WAR DEPRES-SION AND RECOVERY, AT THE ANNUAL DINNER OF KNIGHTS OF COLUM-BUS, AT WALTHAM, MASS., FEBRUARY 20, 1922

The best way to serve the God of things as they ought to be is to keep in touch with the "God of things as they are." What America needs is not a coroner but a physician. What she needs at the hands of a physician is not an autopsy but a diagnosis. Indeed, it is more than that. We feel the symptoms, we know the causes of our economic distress. What is the cure? It is not so much the way into our troubles that concerns us as it is the way out. What caused existing economic conditions is interesting, but what will cause an improvement in these conditions is vital.

Europe has her primary problems which from our standpoint may be secondary but still they are important. America has her primary problems which, from Europe's standpoint may be secondary, but which are not unimportant to Europe.

ondary, but which are not unimportant to Europe.

The civilized world is divided into sovereign and independent nations. Each sovereign nation is a distinct and separate body politic. The fundamental notion underlying international law is the equality of independent States. This is the theory. As to large nations the theory may be true; as to small nations, equality is a mere fiction. But people cling with tenacity to legal and political fictions. We do not like to have our household myths destroyed. Politically expelient theorems the absolute equality. destroyed. Politically speaking, therefore, there is absolute equality among the independent nations of the earth, in a political sense, the nations of the earth are independent of each other.

But the modern world is an economic unit. The different nations are but parts of an economic whole. Modern transportation and, if I may say so, the division of labor among the different countries have fused the several countries into one economic community. Whatever affects the industry and commerce of one country must affect in greater or less degree every industrial and community. Whatever affects the industry and commerce of one country must affect in greater or less degree every industrial and commercial country. There is no such thing as economic independence among the nations of the earth, high protectionists to the contrary, notwithstanding. We may dilate about the political independence of the different nations, but we must admit their

economic interdependence.

economic interdependence.

I shall do no more than refer to the incalculable losses sustained by the different belligerent countries in the recent war—the enormous destruction of labor and capital, of life, and property. Not only were multiplied billions of wealth destroyed, not only were millions of lives destroyed, but two hundred billions of debt were left to absorb or to redistribute the earnings of the future. Most of these losses were unavoidable once battle was joined. Most of them constitute the cost sheet of war, the price of waging war. Hence, I call them unavoidable losses after the sword was drawn. There were losses no doubt due to extravagance and mismanagement which may be set down as the avoidable losses of the war. This distinction may now be regarded, perhaps, as academic without practical utility.

There is neither strategy nor heroism in deceiving ourselves.

perhaps, as academic without practical utility.

There is neither strategy nor heroism in deceiving ourselves. There may be those who will be surprised to hear me say that you cannot get rid of a disagreeable fact merely by denying or disregarding it. You cannot impart wisdom to an unsound policy merely by reposing childlike faith in its efficacy. The truth may not make us free in an economic sense, but it may enable us to get rid of a good deal of superstitution and destroy a good deal of credulity as to economic falacies and as to legislative omnipotence or legerdemain.

tence or legerdemain.

of credulity as to economic falacies and as to legislative omnipotence or legerdemain.

What we need is a survey of the facts, a checking of realities. We need to run the boundary line between the possible and the impossible. We need to know what part of our economic distress will yield to treatment, and what, if any, will not; what part is remediable, what part, if any, is irremediable. What we need to know is what part of our economic ills is to be set down as a part of the price of waging and winning the war—as the inevitable and unavoidable price of waging and winning the war. We know that the priceless lives which were yielded up upon the battlefields of France and Flanders constitute a part of the price of waging and winning the war. This part we know is past remedy—is past repair. Neither storied urn nor animated bust can back to its mansion call the fleeting breath. What part of our economic losses is likewise past remedy and repair?

We need to know what part of our existing distress is due primarily to the economic interdependence between Europe and America. In other words, how would the account have stood with us if we had not entered the war? We would, of course, have enjoyed prosperity while the war lasted. But when the war ended there would have been inevitable distress or stagnation in this country resulting from the destruction of life and property and credit in Europe—from the lost purchasing power on the part of European customers. We should appraise or approximate the extent of those evil consequences which were inseparable from the war itself and which were not due to our participation in the war. The consequences we were powerless to prevent. Where there is no power there is no responsibility. When the United States war itself and which were not due to our participation in the war. The consequences we were powerless to prevent. Where there is no power there is no responsibility. When the United States entered the war it was both necessary and desirable that the war should be prosecuted by all practical means to a speedy and satisfactory conclusion. But we should appraise or approximate the economic losses which were inseparable from the vigorous and victorious prosecution of the war. Armies had to be raised. Millions of men had to be withdrawn from industry. The indus-

trial life of the country had to be reorganized or readjusted. Unprecedented taxes had to be levied. Unexampled debts had to be contracted.

These things were part of the inevitable, of the unavoidable price of waging and winning the war. These things were followed by inflation. How much of this inflation could have been preby inflation. How much of this inflation could have been prevented? Inflation with its hectic prosperity was followed by deflation, with its inevitable losses and adversity. To what extent would deflation have been prevented, or to what extent could its evil consequences have been moderated or counteracted? If we had consulted the oracles of history, we might have foreseen the course of events. Great wars are often followed for a limited period with increasing prices and abounding prosperity. This period is generally followed by a collapse or reaction, characterized by falling prices, unemployment, and industrial stagnation. The period is generally followed by a collapse or reaction, characterized by falling prices, unemployment, and industrial stagnation. The War of 1812 was followed by increasing prices and prosperous times for a period of approximately 2 years. Then came reaction. The Civil War was followed by increasing prices and unabated prosperity for a period approximating 8 years. Then came reaction—a long period of stagnation—a period of depression which lasted for nearly a score of years with but slight interruption. The present depression of 1921 should not last so long, owing to improved business organization and the stability and resources of improved business organization and the stability and resources of credit institutions. But as the depression is not due to ourselves alone, the recovery cannot be controlled by ourselves alone.

alone, the recovery cannot be controlled by ourselves alone. Viewing the events and measures of the war in retrospect, it may be possible now, if it was not possible then, to differentiate between those losses or the causes of those losses which were inevitable and unpreventable from those which might by prudence and foresight have been moderated or prevented. It is devoutly to be wished that we may never have occasion to consult the lamp of experience again respecting the conduct of war, but it is well enough to keep in mind, should the exigency arise, that there is such a lamp.

what there is such a lamp.

What we need to know now, after ascertaining what part of our economic troubles, if any, are past remedy, is this: What part of these troubles is remediable by time and its healing alone? What part is remediable by industry and thrift alone? And what part part is remediable by industry and thrift alone? And what part is remediable by legislation alone? Perhaps it would be better to say and wiser to ascertain what part of our existing evils will not yield to the enchantment of legislation—will not yield to the imperious "Be it enacted" of legislatures, congresses, and parliaments. What part will not yield to grandiloquent oratory (outside of Massachusetts; I should have said fiap-doodle oratory). What part cannot be remedied by repealing the laws of physics and economics and experimenting with panaceas which have no roots in the past and no sanction, no certificate avouched either by reason or by experience.

Some of our statesmen conceived the notion during the war that mountains could be removed by their faith or word or their "Be it enacted"; that buildings could be constructed with the center of gravity outside the base—professors who spend their vacations perfecting schemes of perpetual motion; doctors and postgraduates from Dean Swift's Academy of Lagado.

We need to keep in mind to what extent our own depression h been caused by the collapse and loss of purchasing power on the part of Europe. We need to ascertain to what extent our own repart of Europe. We need to ascertain to what extent our own recovery must be preceded or accompanied by recovery on the part of Europe and to what extent and in what way we can accelerate the recovery of Europe. We can undoubtedly lend a helping hand to Europe without entering into an entangling alliance with European powers, without signing a bond to take part in all their wars and to unsheath our sword in all their battles. A creditor may do something to assist his debtor without giving him the money with which to discharge his debt which to discharge his debt.

which to discharge his debt.

The first unmistakable sign of our existing economic troubles was the break-down in the price of farm products. The crop of 1921 was satisfactory, both in quantity and quality, but it was worth \$8,000,000,000 less to the farmer than the crop of 1919, and, judged by the same standard, it was worth three and a half billions less than the crop of 1920. The crop was not in excess of the world's need, but it was in excess of the world's economic demand. The break in price was primarily due to the loss of purchasing power on the part of our European customers who usually absorbed the surplus. Our export of farm products did not fall off so much in volume as in value. Indeed, we exported 9 percent more cotton in 1921 than in 1920, but the value declined 55 percent. It is value that counts in commerce. The loss of purchasing power on the part of our farmers resulting from the ruinous prices of farm products reacted, of course, upon the prosperity of all our industrial and commercial classes. The manufacturers could not sell, could not be sure of a market. They had to close down or slow down. This resulted in much unemployment. These constitute the essentials of stagnation and distress.

Whet is the way out? What is the remedy for all those ills.

What is the way out? What is the remedy for all those ills that are remediable? World-wide effects must be accounted for by world-wide causes, and they will yield only to treatment whose by world-wide causes, and they will yield only to treatment whose effects are world-wide, if not in scope, at least in their reactions. There are certain European problems which can be solved by the European powers alone. Their failure to solve these problems has hindered the improvement of conditions both in Europe and in America. Much as we suffer from their inaction, we have no authority to meddle in their affairs. I have great faith in free discussion. There can be no objection to a discussion of those problems and those difficulties on the part of those who are mutually concerned in their solution or in their removal. A willingness to confer does not imply an obligation to commit ourselves to an undesirable settlement.

ourselves to an undesirable settlement.

Of course, a vast majority of our industrial and commercial ailments are to be removed or improved by the return to our ancient and approved system of a high protective tariff, or so it is said. I feel free to allude to this subject on account of New England's known aversion to the mob spirit. I feel safe. Europe and the world can purchase the surplus output of our field and factories in only three ways—by the shipment of gold, by the shipment of goods, by the transfer of credits. Europe has no gold to spend or spare. We have the gold. From some unaccountable economic aberration we placed an embargo on gold. We adopted the policy pursued by Spain after the discovery of America. She imagined that gold and silver constituted national wealth, prohibited their export, and has suffered a protracted attack of creeping paralysis or sleeping sickness. The cruse of credit has pretty well run dry, although something might still be done to replenish its flow. Europe must exchange its surplus goods for our surplus goods. But we propose to erect a high tariff so that she cannot exchange her goods for ours. In 1920 our total imour surplies goods. But we propose to eter a light tarm so that she cannot exchange her goods for ours. In 1920 our total imports were around \$5,200,000,000. In 1921 were \$3,600,000,000. There was a falling off in a single year of one and a half billions—about 33 percent in value. We now propose to raise the tariff so as to reduce still further these imports, which must still further diminish our exports.

In 1920 we exported \$8,100,000,000 worth, and in 1921 only six and a half billon dollars worth. To reduce imports is to reduce exports. To stop buying is to stop selling.

exports. To stop buying is to stop selling.

In addition to all this it seems that we are to have American valuation. This is carrying Herbert Spencer's doctrine of individualism beyond the limit of his extremist fancy. It practically transfers the power to tax from Congress to each American producer or at any rate to each class of American producers. If any class concludes that the tariff duties are not high enough for its special interests, all it has to do is to raise the price of its product and the tariff protection automatically is increased. In olden times, each city and town in Europe had a tariff system of its own. We are refining upon this method in modern times and propose to let each individual have a tariff system of his own, or each class a tariff system of its own. I suppose this is the American definition of "liberty, equality, fraternity." Victor Hugo said that in France those words signified "infantry, cavalry, artillery." artillery."

As I am now enjoying the luxury of private life exempt from the cares of officials responsibilities, I am watching with interest the effort on the part of our statesmen to raise money for the soldier's bonus without increasing taxes or issuing bonds. I am also watching the effort of our diplomats, our Tallyrands, to enter into an entangling alliance without entanglements. Some of us who looked upon the League of Nations as a full-grown dragon may record the Anower past as the dragon's while others. may regard the 4-power pact as the dragon's whelp, while others whelp, while others of us may look upon it as an angel of light coming—if not to beat the sword into a plowshare—at least, to beat the battleship into an aircraft, or coming to establish peace on earth and good will among some men.

ADDRESS BY HON. THOMAS P. GORE, OF OKLAHOMA, BEFORE THE NEW YORK CREDIT MEN'S ASSOCIATION, NEW YORK CITY, JANUARY 25, 1916

Mr. Chairman, ladies, and gentlemen, and I regret that I cannot, for reasons too delicate to mention, say "my fellow creditors" [laughter], I am deeply grateful to your presiding officer for this most graceful presentation. I wish that I deserved the splendid enconiums which he has showered upon me out of the generosity of his heart. My only acknowledgment must be that my gratitude is equal to his generosity.

More than any other class, the credit men embody and illustrate the principle of "each for all and all for each." It seems to me that in an assemblage of credit men one ought to be either extremely in an assemblage of credit men one ought to be either extremely happy or extremely miserable, depending upon his latitude with reference to that great equator done in red. I realize that in addressing this association of credit men I am not only guilty of carrying coals to Newcastle but I am carrying gold to Ophir and diamonds to Holeanda. There is nothing either new or illuminating that I can say to you either upon the history, the theory, or the philosophy of credit.

I appreciate the danger of employing figures of speech in discussing an economic question, or in discussing any other subject which requires considerable accuracy of speech.

By a sort of accepted metaphor money has been likened unto

the blood in the arteries of trade and commerce. With equal propriety we may characterize credit as the very breath of the life of modern business

Judged by its manifestations, credit in the commercial world bears an even more striking resemblance to electricity in the physical universe. Electricity is subtle, is unsubstantial, invisible, inaudible, impalpable, imponderable, whatever that train of adjectives may mean. [Applause.] Electricity is a force so deft that it may operate the most delicate "instrument of precision", a force so tremendous and universal that it holds the fixed stars in their places, and binds the wandering planets to their appointed cours

Credit is silent, subtle, unsubstantial. It is imperceptible to the senses, and yet credit is a force, a commercial force so slight that it cares for the smallest transaction on the retail counter, and is a force sufficient to finance embattled nations, distraught with blood What is this thing credit? What is this thing so subtle that it eludes sight, touch, and feeling and yet is so mighty that without it the modern business world itself would dissolve like the unsub-

credit is a promise to pay. That is the vital spark, the vital principle of all credit. The simple promise to pay is the germ from which the credit system, with all its delicate adjustments, with all its stupendous strength, has been evolved.

A credit transaction is the present transfer of a thing of value in consideration of a promise equivalent to be rendered in the

A credit transaction is the present transfer of a thing of value in consideration of a promise equivalent to be rendered in the future. Futurity is one of its essentials, as confidence or security is another of its essentials. But the credit system itself is not to be identified with credit. The credit system involves the modes or methods of conducting credit transactions and payments; and it may be said to include the various agencies and institutions which have been devised for carrying on and facilitating such

or methods of conducting credit transactions and payments; and it may be said to include the various agencies and institutions which have been devised for carrying on and facilitating such transactions and payments.

Personal credit or confidence in a limited form may exist in the rudest society, but a credit system is one of the distinguishing characteristics of a highly organized commercial society.

Is credit capital? Are debts wealth? Is a promise to pay either capital or wealth? Are the instruments of credits themselves wealth? This is a much-controverted question. I do not mean to decide it ex cathedra. I may say in passing that if the instruments of credit are not wealth, they bear a very marked and striking family resemblance to wealth. Mr. McLeon declares with great emphasis that credit instruments are not only wealth but that they constitute one of the most important categories of wealth. Mr. Price and others insist with equal emphasis that credit instruments are not wealth; that they are mere claims to wealth, that they are the representatives of wealth. It seems to me that Mr. Seligman has indicated the distinction with scientific precision. He says that while credit instruments are not wealth, in the strictest sense of the term, they are in the strictest sense of the term "property." Property involves a legal conception, the idea of exclusive ownership and appropriation, a right to take cognizance of by the law, and like wealth, capable of exchange, of being bought and sold. But it can hardly be insisted that if each of the 700 men in this presence should execute his promissory note for \$100 to his neighbor sitting on his right and on his left there would thus be created \$1,400,000 of wealth, nor can it be insisted that by passing a single one-hundred-dollar bill from hand to hand and liquidating these promissory notes there would thus be extinguished, annihilated approximately a million and a half of real wealth in the twinkling of an eye. It can hardly be maintained that the New York Clearing Hou in the business world can hardly be overestimated, can hardly be overstated.

The commercial and industrial history of mankind has been divided into three great epochs: The age of barter, the age of money, and the age of credits.

The history of every civilized country indicates that it has passed through this evolution.

Even today in different quarters of the globe we see people in each of these different economic stages or in course of transition from one unto the other.

Barter is the first and the simplest form of exchange, and even

Barter is the first and the simplest form of exchange, and even barter is preceded by a system of voluntary presents, the exchange of gifts. In course of time it came to pass that these reciprocal presents were expected to be approximately equal in value, and neglect on the part of a barbaric trader to observe this tenet of commercial morality led to the first commercial war, to retaliation, and bloodshed. We and other commercial nations are in the full blaze and splendor of the credit age. Ninety-five percent of all commercial transactions are carried by means of credit, rather than cash. Excluding the retail business, 99 percent of payments, 99 percent of commercial transactions are carried on not in cash but through the instrumentality of credits.

It is said that the great naturalist, Cuvier, could from a single

It is said that the great naturalist, Cuvier, could from a single fossil bone of an extinct species of animal reconstruct the framework of an individual of the species. This was due to his knowledge of anatomy and the necessary relations between the different parts of the animal organism.

An economist and jurist of equal skill could take the commercial laws and customs of an extinct people, of a forgotten nation, and determine with marked precision the stage of its progress and

the state of its civilization.

A system of credits implies certain conditions as precedent, as A system of credits implies certain conditions as precedent, as prerequisite to or as coincident with its very existence. A credit system implies stability of government, security of property, the accumulation of capital, machinery for the collection of debts, or the punishment of defaulting debtors. A credit system implies the existence of ethical standards, a sense of obligation and responsibility, of confidence between man and man.

bility, of confidence between man and man.

Herbert Spencer has said, with truth, that in a society "where every man was thief or liar", credit would be an impossibility, borrowing and lending would be unknown. So that the existence of a credit system proves the existence of comparatively high ethical and commercial standards. [Applause.] The telltale ruins of ancient Babylon render up her commercial secrets and her commercial history. She had a system of credits, banking institutions. Promissory notes, bills of exchange, and insurance were commercial agencies and practices amongst her people.

This demonstrates that she had a highly organized state of economic society.

nomic society.

Within the limits and conditions which I have enumerated, the history of the rate of interest indicates the ratio between the supply of capital and the demand for capital, indicates the prevailing condition as to prosperity or depression, indicates the peculiar hazard incident to a particular business or of a particular individual in a given transaction. This is a most illuminating and significant history.

In ancient Greece the rate of interest ranged from 12 to 18 percent, and the rate of interest in maritime transactions was allowed to mount up to 33 percent. I take this as conclusive proof that John Skelton Williams was not Comptroller of the Currency in ancient Greece. [Applause and laughter.]

In Rome the laws of the Twelve Tables fixed the rate of interest at 12 percent, I percent a month. All legal interest was afterward entirely prohibited, at least for a time, and during that time

usury ran riot

Under the reign of Augustus Caeser the prevailing rate was only

Order the reign of Augustus Caeser the prevaiing rate was only 4 percent, a period of remarkable peace and security.

Under Justinian's Code, adopted in the sixth century, the rate of interest which persons of wealth were allowed to charge was only 4 percent. Six percent was the legal rate. Merchants might be charged as much as 8 percent, and in maritime transactions

as much as 12 percent.

The history of interest and interest rates in England typifies the struggle between arbitrary human ordinances on the one hand the struggle between arbitrary human ordinances on the one hand and the fundamental laws and principles of trade and commerce upon the other. I shall not weary your patience with an enumeration of rates and dates. For centuries there has been through various laws an endeavor to regulate interest and penalize usury. They have not only made an effort to prevent usury and regulate interest, but they made an effort to regulate prices, and all this history illustrates the difficulty of regulating interest upon any other ground than that of monopoly. It shows the sovereignty of the natural laws of commerce and of business.

We too have our interest and usury problems here in the United States. I suppose it always has been with us, perhaps it always will be with us, but rates of interest ranging from 25 to 2,100 percent, as recently revealed by the Comptroller of the Currency, can hardly be characterized as legitimate banking. A risk which demands such a rate of interest is not banking, it is gambling, and legitimate borrowers should not be fined to insure transactions involving so high a hazard.

legitimate borrowers should not be lined to insure transactions involving so high a hazard.

The Koran forbade the followers of Mohammed to charge or receive interest. "They who devour usury shall not arise from the dead", said the prophet of Allah. This interdiction of interest is one of the principal factors explaining the universal industrial and commercial stagnation which prevails wherever Mohammedism prevails. That ordinance takes away the incentive to economy prevails. That ordinance takes away the incentive to economy and thrift. It takes away the opportunity for investment. It takes away the possibility of profit. The Mohammedan hoards his money. He buries his gold; and buried treasures bear no fruit, no golden apples of the Hesperides. They are as barren as the accursed fig tree. Until socialism comes, interest and profits must continue to be in the future, as they have been in the past, one of the chief incentives to economy and thrift, to industrial progress, and to commercial prosperity.

Circuit surcharges capital with efficiency: it woos hoarded treasure

commercial prosperity.

Credit surcharges capital with efficiency; it woos hoarded treasure from its hiding place; it gathers up bits of capital too small to be used separately and on their own account. It transfers capital from those who are content with mere investment to those who desire to engage in productive enterprise and industry. Credit affords talent the benefit of capital and opportunity, and affords society the benefit of talent. Credit abolishes the difference between the past, the present, and future tenses.

Credit enables the present to law under contribution all the

Credit enables the present to lay under contribution all the accumulated capital of the past, and even the anticipated earnings of the future. One of the greatest achievements, one of the greatest miracles ever wrought by credit, in my own judgment, is the simple credit unions which have been established in the continental countries of Europe. The Schultis system in the industrial centers enables men without business reputation, without commercial rating, without assets, to avail themselves of their potential credit. In Italy they have instituted a system of peoples' banks under which honor loans are made, made to men in the most potential credit. In Italy they have instituted a system of peoples banks under which honor loans are made, made to men in the most necessitous circumstances, men who have no resources excepting the skill of their own hands and the honesty of their own hearts. The percentage of loss in these institutions has been remarkably low. It shows how human nature and human hearts respond to confidence, how trust inspires worthiness of trust, how faith begets fidelity. The weakest point in our own credit system is the want of some such system of rural credits to accommodate the farmers of our country. The farmer borrows money on short time and at high rates of interest, generally running from 5 to 10 years. He cannot pay the principal and interest of the loan out of the earnings of the farm during that period.

Such a system of farm financiering is essentially, is fatally defective. We need a system of long-time loans at low rates of interest, with the amortization method of payments, such as has been established with such marked success in the continental countries of the Old World. But this problem is capable of solution; it will be solved. The more perplexing puzzle is the tenant farmer, the man without land, without home, without any dower, save his brain and brawn. My friends, I commend him to your consideration. He is entitled to the benefit of your experience and reflection. The man who devises a credit system that will meet his situation, that will vitalize his potential credit, will earn

and reflection. The man who devises a credit system that will meet his situation, that will vitalize his potential credit, will earn for himself a niche in that temple consecrated to the benefactors

of mankind, alongside of Wallenburg and Lusetti, the friends of the friendless in Italy. Not only is credit able to assist the poorest of the poor, the weakest of the weak to bear his burden with less difficulty, but it is sufficient to enable the strongest to bear their burdens with greater facility. Let me illustrate. In the United States our stock of gold today

Let me illustrate. In the United States our stock of gold today aggregates \$2,200,000,000. Our national indebtedness is equal to one-half the country's stock of gold. National, State, county, and municipal indebtedness in this country aggregates two and a half times the total gold supply. The bonded indebtedness of the railroads is five times this stock of gold. Private indebtedness, individual and corporate, excluding current accounts, is 19 times the entire gold supply of the entire United States. At the breaking out of the European war the public indebtedness of the 46 leading countries of the world aggregated \$44,000,000,000, perhaps five times the entire stock of gold in all the civilized world. I say this to illustrate the strength, I might say the miraculous strength, of credit and of the existing credit systems throughout Christendom. This brings me to the consideration of the point so ably discussed and exhausted by Mr. Warburg. It is our ambition to become a creditor nation. This is not an unreasonable ambition. The United States has a right to aspire to become the financial premier in the financial has a right to aspire to become the financial premier in the financial federation of the world.

There are certain conditions which are essential to render any There are certain conditions which are essential to render any country a creditor nation. One of these is an accumulated stock of available capital. In addition to this, one or the other of the following conditions must obtain—either the resources of the lending country must be relatively well developed, as contrasted with the undeveloped resources of the borrowing country, or else the borrowing country must be driven by some imperious, some overpowering necessity, into the money market.

The United States is advancing credit or capital to the South American States because our resources are more fully developed than theirs. The United States is lending to the stricken nations of Europe because they are driven by uncompromising necessity into the borrowing market.

into the borrowing market.

In might say this in passing, that Great Britain was the creditor nation of the world because she had a vast accumulation of capital, because her resources were relatively well developed in comparison with the young and developing countries of the globe. Not only that, but she maintained a system of free trade. I do not mean to introduce the tariff question here, but unless all nations are protected and other conditions are equal the country having the lowest tariff will have the greater advantage, because debtor nations will insist upon borrowing in those countries where a dollar's worth of their goods will pay a dollar's worth of their debts.

their debts.

We reflect with some pride upon the fact that the American dollar has, at least temporarily, come to be the international unit dollar has, at least temporarily, come to be the international unit of account. If we can perpetuate this policy it is, of course, desirable to do so. Perhaps it would foreclose forever the consideration of that question which was agitated some four or five decades ago—the question of an international unit or system of coinage; an international money of account; an international unit of value—I do not refer to bimetallism. It would of necessity be a gold coin and part of a decimal system. It is almost too much to hope that other nations will acquiesce in the acceptance of the American dollar as the standard of international commerce. The establishment of such a unit of value and money of account to measure international payments would greatly simplify political to measure international payments would greatly simplify political arithmetic and facilitate international exchange. I throw this out merely as a suggestion. It may be one of those elusive mirages of the financial desert, which we might pursue without overtaking unto the end of time.

The clearinghouse is one of the highest forms and phases of commercial evolution. I am not sure that the clearinghouse is not capable of development in two directions—in the direction of individual clearings. Such a system of clearings was of great consequence during the great commercial fairs of the later Middle

sequence during the great commercial fairs of the later Middle Ages.

I do not mean to trek backward to the Middle Ages, but the experience of every time and of every clime should be made to shed its light upon the present and its problems. I am not sure that the clearinghouse is not capable of development in the direction of international clearings, the balancing of international debts, the cancelation of international credits. But this is merely another conundrum propounded by an amateur to an assemblage of experts. These are some of the possibilities of the credit system. But the system, with all its advantages and possibilities, is not without its dangers. We have a rather complicated and intricate system of distribution. Some have characterized it as wasteful. There are two or three or four links in the chain of credit extending from the producer or the manufacturer, on the one hand, to the ultimate consumer upon the other. The risk increases with each additional link. Reducing the number of links would reduce the risk and would increase the security.

I commend this problem to your consideration because you credit men stand as sentinels and as guards to protect the rest of society against dangers of this description.

men stand as sentinels and as guards to protect the rest of society against dangers of this description.

Confidence is the soul of credit, and when credit loses its soul evil may follow. I refer to speculation when it runs riot. Periods of excessive speculation seem to return in cycles. This is not a mere coincidence, not a mere matter of fortuitous chance, nor is it due, as Mr. Jevons contended, to the spots in the sun. [Laughter.] It is due to a deep-seated law of psychology, a deep-seated law of human nature, a disposition to buy upon a rising and to sell upon a falling market. Time being an element, these cycles come and go and come again. The credit man will be the first to scent the

danger, and he should be the first to exhibit the danger signal and )

to warn society against evils of this description.

It cannot be unknown to you that there are those who have charged or feared the existence of a money trust or, to use a more fitting name, a credit monopoly in the United States. I need not say that such a trust, that such a monopoly, would be the worst I need not possible form of monopoly or trust. Any man of character, of assets, with a reasonable prospect of success, has a right to credit without being obliged to consult his rival or competitor.

We ought to erect every safeguard against the establishment of a credit monopoly in the United States. We ought to insist upon the democratization of credit. To this end the Federal Reserve System has been instituted. It will serve and accomplish this end and it will also serve as a protection against the occurrence of crises and commercial panics.

The commercial panic or crisis is one of the dangers and disadvantages inseparable from a credit system. Gout is an infirmity of high life, and insanity is a disease of rational beings. Commercial crisis is one of the diseases, one of the dangers incident to a highly developed credit or commercial system.

Pardon the digression for a moment. Panics have come in all commercial countries, in all epochs of history.

There occurred a serious panic in Rome in the year 33 of the present era. That was the year of the Crucifixion. I allude to that merely as a coincidence. In the year 32 Seuthes & Son, leading merchants of Alexandria, failed. Their failure was due to the loss of three richly laden spice ships in a hurricane on the Red Sea. They had also suffered reverses in their caravan trade with Ethiopia, owing to the decline in the value of ivory and ostrich feathers. Soon afterward the firm of Marcus & Co., of Tyre, went into bankruptcy. Their failure was due to embezzlement on the part of a freedman manager and to a strike upon the part of certain of their Phoenician employees. They had obtained considerable credits from the banking firm of Quintus, Maximus & Lucius Vito, of Rome, situated on Via Sacre, the Wall Street of that ancient metropolis. [Laughter.] When it became noised abroad that this bank was involved, a run on the bank ensued.

ensued.

This involved still another bank, that of the brothers Pettius. The two banks closed their doors on the same day. This was followed by another failure in Rome, by the failure of the leading bank in Carthage and the leading bank in Corinth, the failure of two banks in Lyons, and the failure of a bank in Byzantium, the modern Constantinople. The panic ran riot.

A courier was sent to Tiberius, then in his retreat at Capri, with a petition for relief. After 4 days the courier returned. The senate assembled post haste, and an immense crowd thronged the forum. It is said that millionnaires and beggars jostled each other in their efforts to receive the tidings from the Emperor. Tiberius in their efforts to receive the tidings from the Emperor. Tiberius directed that 100,000,000 cesterces be taken from the public treasury and deposited with the embarrassed banks with directions that they lend to the needlest debtors on 3 years' time without interest, but upon double security.

This relieved the stringency, confidence returned, business was resumed. How like the daily dispatches of 1893 and 1907 read these passages from Tacitus and Seutonius. Every commercial country must calculate at least upon the possibility of commercial panics and crises.

Let me now speak briefly of the humanities of the commercial system. In ancient times the laws regulating the obligation between debtor and creditor were of the most rigorous character; they were severe; they were cruel. In Greece the creditor could sell his debtor and his family into slavery. That custom was abolished by Code Solon. Under the Roman law the creditor could not only sell his debtor into slavery but he had the power of life

and death over an unfortunate debtor.

Imprisonment for debt prevailed in England until 1844. The first State to abolish that policy in the United States was that of Pennsylvania, in 1790. New York began its abolition in 1831, showing the progress of a more humane and enlightened spirit.

Bankruntcy laws had been extended in scope and humanized in

Bankruptcy laws had been extended in scope and humanized in their effects. The bankruptcy law has prevailed in England for more than three and a half centuries.

There have been four bankruptcy statutes in the United States; one in 1800, the next in 1841, the next in 1867, and the last in 1898. The statutes have undoubtedly ofttimes been used and 1898. The statutes have undoubtedly ofttimes been used and abused as a refuge for undeserving and fraudulent debtors, and yet, after all, they have been a sort of legal and judicial answer to the prayer, "Forgive us our debts as we forgive our debtors." They have said to the erring and unfortunate debtor in the language of the Nazarine, "Go and sin no more." Perhaps the first bankruptcy statute—or establishment, perhaps I had better say—was the great temple to Diana in the ancient city of Ephesus. The impecunious, the necessitous debtor who could find refuge in the precincts of this sanctuary was afforded protection against the wrath and vengeance of his pursuing creditors. It requires no prophet to tell or to forstell that we are coming upon better times; that, barring the European war, the commercial and industrial and financial progress of the world was never more promising. The morning star of a new time is already twinkling upon the brow of the eastern horizon. brow of the eastern horizon.

My friends, the credit institution has done much to build up

fellow man has other compensation than that of a conscience void

And the credit system, measuring those things that are permanent and those that are passing, must teach us all to believe that a good name is the immediate jewel of the soul.

My friends, I thank you.

## FREEDOM OF THE PRESS

Mr. MINTON. Mr. President, I ask unanimous consent to address the Senate briefly.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Indiana is recog-

Mr. MINTON. Mr. President, I believe it was the humorist Bill Nye, in one of his sage observations on the conduct of matters about a courthouse, who said that if you were about a courthouse you would be very apt to hear the loud and rasping filing of the charges, but you would have to listen very carefully to hear the soft quashing of the indictment. In other words, when the charges are made there is always a great hullabaloo; but when the facts are presented which avoid the charges or the charges are avoided we very seldom

A few days ago a suit was brought by Mr. Hearst against the Lobby Committee and others; and the headlines of the newspapers screamed to the country that the "sacred liberties of the people" were about to be violated, and that these committees and representatives of the people in Washington were "running roughshod over the rights of the people" and were "rifling the private papers of the people" contrary to the Constitution. A great ado was made about it in all the newspapers throughout the land, and since that time Members have risen upon the floor of the Senate and have cited authority to the effect that the committee was violating the fundamental rights of the people of this country. But not a single authority cited by those who rose on the other side of the aisle to take such a position held to be illegal such conduct on the part of any parliamentary or legislative body throughout the country. Never was authority cited that a legislative body or a parliamentary body pursuing the procedure that the Black committee had been pursuing had violated anybody's fundamental rights.

The distinguished Senator from Alabama [Mr. Black] took the floor and cited the authorities, many of them, poured them into the RECORD, to the effect that for a hundred years legislative bodies on this side of the Capitol and the other had been pursuing the same procedure that the Black committee had been pursuing, and no one had seriously raised the question about constitutional rights.

But the question was raised by Mr. Hearst in the name of the Constitution, in the name of our ancient liberties, in the name of the freedom of the press. He would not know the Goddess of Liberty if she came down off her pedestal in New York Harbor and bowed to him. He would probably try to get her telephone number. [Laughter.] He would not know the freedom of the press if it sprang full panoplied from the Constitution in front of him. He is the greatest menace to the freedom of the press that exists in this country, because instead of using the great chain of newspapers that he owns, and the magazines, and the newsdisseminating agencies of the country that he controls, to disseminate the truth to the people, he prostitutes them to the propaganda that pursues the policy he dictates.

And so, gentlemen of the Senate-I was about to make a campaign speech here, and I do not know but that it is a good subject sometime to make one on, and I may do -what I desire to say to you today is that this "freedom of the press" which has been talked about so loudly by Mr. Hearst is not being threatened by the Black committee. Nobody's fundamental rights are being invaded by that committee. No one's sacred private rights have been pried into by that committee; and no person has come here or has gone elsewhere and said that his sacred rights had been denied or had been invaded by that committee.

My friends, the credit institution has done much to build up and confirm high ethical standards. It has done much to inculcate a sense of obligation and a feeling of responsibility.

I realize that we must insist upon honor for honor's sake; must insist upon honesty for honesty's sake; must insist upon conscience for conscience's sake; and yet those who enjoy the benefits of the credit system must realize that the confidence of their

Of course, I should not expect Mr. Hearst to take any cognizance of what I shall say here today. I should not expect him to pay any attention to the facts I shall call to the attention of the Senate. I do not expect to find in his newspapers any reference at all to the facts I shall call to your attention. Mr. Hearst does not run his newspapers that way. He does not want the people to have the facts. He has a peculiar code of ethics for himself. He runs his newspapers on the same high plane on which he runs his private life.

Mr. COPELAND. Mr. President, will the Senator yield? Mr. MINTON. Yes; I yield.

Mr. COPELAND. I have no objection to any statement the Senator may make; but he referred just now to a citizen of my State, and made, I think, a very unhappy personal reference. I presume the Senator does not wish that to be included in the Record.

Mr. MINTON. I have nothing to take back. I thought the gentleman to whom I referred lived in California. I seem to remember, though, that the tax laws out there did not suit this great taxpayer and Budget balancer, so he went to New York.

But the things to which I direct the attention of the Senate today I mention for its benefit, and for the benefit of the country, and for the benefit of those who represent the press of the country that wishes to take to the people the truth and the facts; so I shall expect that that part of the press which does not pursue the policies of Mr. Hearst will take some cognizance of the facts I call to the attention of the Senate today.

When this hullabaloo was going on about the invasion of constitutional rights, and so much noise was stirred up about the matter, it attracted the attention of the distinguished senior Senator from Idaho [Mr. Borah]; and he submitted in the Senate, on March 9, a resolution directed to the Federal Communications Commission, asking that body to furnish the Senate with a report showing by what authority they were examining telegrams in the telegraph offices, and who put them to work. Within a week the Federal Communications Commission submitted to the Senate of the United States a written report, and on the 17th day of March that report was printed and laid upon the desk of every Senator here. Nothing was said about it. The facts were recited in the report; and this "dark, deep conspiracy" that Mr. Hearst has been talking about in his newspapers was dissipated by the facts. They were facts of record that could have been discovered by Mr. Hearst and his minions if they had taken the trouble to try to find out the truth; but they did not do that. They were facts of record in the office of the Federal Communications Commission.

They showed that when the Black committee was holding forth here last year it developed the facts-undisputed; never denied by anybody; facts which could not be deniedthat hundreds—yes, thousands—of telegrams had been sent to Washington which bore the names of people who did not send them or authorize them to be sent; that thousands of telegrams had been forged; that in many instances the records had been destroyed by the telegraph companies themselves. These facts were brought to the attention of the Federal Communications Commission in the newspapers and by the remarks of the Senator from Alabama, to the effect that this condition existed widely over the country; and the Federal Communications Commission, under section 220 (c) of the Federal Communications Act, as set forth in this report, proceeded to an investigation on their own, because this provision of the statute gave them access to all of the records of these communication companies. So, with access to these records, the Communications Commission conceived it to be their duty to find out how many telegrams had been forged, and to advise Congress about legislation along that line, because apparently there is no legislation against the forging of telegrams. There is legislation which makes it an offense to destroy the records of a telegraph company before a certain period of time has elapsed, and the record before the Black committee establishing clearly that the records had been destroyed by the telegraph com-

panies within the time they were supposed to be preserved under the law, the Communications Commission sent their representatives, under a resolution adopted by the Federal Communications Commission, without any suggestion from the Senator from Alabama [Mr. Black] or any member of his committee, to the telegraph companies to conduct an investigation of their own to determine whether or not these telegrams had been forged and to what extent, to determine whether or not records had been destroyed and to what extent, and to determine a number of other things with reference to the conduct of their business, over which the Communications Commission had ample authority.

These representatives of the Communications Commission went to the telegraph companies and there found the representatives of the Black committee, acting under subpena, examining telegrams which they wanted to see; and, working in cooperation with the Black committee, but not under their direction or supervision, they handled the same telegrams once, rather than have the Black committee take them out and examine them and put them back and then have the Communications Commission take them out and put them back. Cooperating, they used the same space and handled the same telegrams in the interest of the business organization of the telegraph companies themselves.

If the statements contained in the papers were to be believed, one would think that we entered into a great, dark, deep conspiracy with the Federal Communications Commission to go to the telegraph companies and rifle the files, and do something we had no authority to do. As a matter of fact, the Federal Communications Commission was proceeding under its own authority and on its own initiative, doing the things it had a lawful right to do. We were pursuing our own way, under our own authority, and under subpenas sent out by the committee. It just happened that the representatives of both organizations were at the same time working together, cooperating in handling the same communications.

The papers carried the story, and broadcast it, that the Federal Communications Commission was putting a lot of people to work in the telegraph offices digging among these telegrams. What are the facts? The report shows that for 114 days, counting Sundays—I did not take the time to take out the Sundays and holidays—there was one representative of the Federal Communications Commission at the telegraph offices. For 39 days they had two people in the telegraph offices.

So, Mr. President, instead of there being a conspiracy on the part of the Senate committee and the Federal Communications Commission, the fact is that there was not any conspiracy, and the Commission was proceeding in its own way, under its own authority, on its own initiative, and the Black committee was doing the same.

These are the facts, and I hope that they will be carried to the country with the same publicity and the same attention given to the charges as was manifested in the beginning.

## THE CALENDAR-BILLS PASSED OVER

The PRESIDENT pro tempore. Under the unanimousconsent agreement, the consideration of unobjected bills on the calendar is in order, and the clerk will state the first bill in order on the calendar.

The bill (S. 944) to amend section 5 of the Federal Trade Commission Act was announced as first in order.

Mr. VANDENBERG. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909, 35 Stat. 1109 (U. S. C., title 18, sec. 203), and for other purposes, was announced as next in order

Mr. DUFFY. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam was announced as next in order. Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest was announced as next in order.

Mr. ROBINSON. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 509) to prevent the use of Federal offices or patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. ROBINSON. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 24) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1452) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 87) to prevent the shipment in interstate commerce of certain articles and commodities, in connection with which persons are employed more than 5 days per week or 6 hours per day, and prescribing certain conditions with respect to purchases and loans by the United States, and codes, agreements, and licenses under the National Industrial Recovery Act, was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The bill will be passed over.

ADJUSTMENT OF LOSSES OF COOPERATIVE MARKETING ASSOCIATIONS

The joint resolution (S. J. Res. 38) for the adjustment and settlement of losses sustained by the cooperative marketing associations was announced as next in order.

Mr. KING. Let the joint resolution go over.

Mr. FRAZIER. Mr. President, this is a joint resolution I introduced some time ago. The purpose was to allow certain cooperative farm organizations to come before the Farm Credit Administration, and it authorized the Farm Credit Administration to discuss certain matters with the cooperatives and to pay claims, if they felt that the cooperative organizations were entitled to such payments under the old Farm Board set-up. When the measure came before the Committee on Agriculture and Forestry it included only wheat.

Mr. KING. Mr. President, I have offered objection to the consideration of the joint resolution.

Mr. FRAZIER. Will not the Senator withhold his objec-

Mr. KING. Yes; but I shall insist on it when the Senator concludes.

Mr. FRAZIER. I want to explain the matter briefly.

The PRESIDENT pro tempore. Is there objection to the Senator making a statement in regard to the joint resolution? The Chair hears none, and the Senator will proceed.

Mr. FRAZIER. Mr. President, when the joint resolution was before the Committee on Agriculture and Forestry it covered only wheat. It was suggested by some of those interested in cotton that cotton should also be included, and that was done. There has been some objection, principally from the senior Senator from Tennessee [Mr. McKellar], in regard to cotton being included in the joint resolution. The Senator from Tennessee has told me repeatedly that he would have no objection to the joint resolution if cotton were eliminated from it. So during the past few weeks the president of the Wheat Growers Association of North Dakota, who is interested in this measure especially, has gotten in touch with the cotton cooperatives and succeeded in getting them to give their approval to eliminating cotton from the joint resolution, stating that if they felt later on that

they should have a similar joint resolution adopted they could have it introduced in their own interest.

I have a letter from Mr. Duis, under date of March 24, which I received this morning, in which he states:

We, of course, have authority from Mr. Henry and the cotton people to strike out cotton.

Mr. President, I feel that this is a just measure. The wheat cooperatives were advised and urged by the Farm Board to withhold their grain in their own elevators, keeping it off the market in order to promote the orderly marketing scheme of the Farm Board. It was held off the market, and the wheat growers of North Dakota, Montana, Minnesota, and South Dakota claim that they lost, in round figures, \$600,000 by obeying and cooperating with the Farm Board. They feel they are entitled to consideration and entitled to go before the Farm Credit Administration and have an adjustment made.

Mr. President, I hope this measure may be passed, as I believe it is a just one. It has been on the calendar a long time. I wish to amend the joint resolution by striking out "cotton" wherever it appears, so that the joint resolution will provide only for wheat.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. ROBINSON. Mr. President, I shall not object to the consideration of the joint resolution. It does not occur to me that there should be discrimination between cotton producers and wheat growers who are in an identical relationship to the subject matter of the proposed legislation. In view of the statement of the Senator from North Dakota, however, that the heads of the cooperative associations whose organizations are directly concerned have consented to the amendment which he suggests, I shall not object.

Mr. FRAZIER. Mr. President, I assure the Senator from Arkansas that there is no intention on my part, and I assume no intention on the part of others interested in the joint resolution in behalf of wheat, to discriminate against the cotton cooperatives in any way, and I, for one, will be perfectly willing and glad to help the cotton cooperatives if they wish to introduce a joint resolution later on.

Mr. KING. Mr. President, several years ago facts were brought to the attention of the Senate and were discussed, showing a close cooperation between many of these cooperatives, both those interested in cotton and those interested in wheat, with the Farm Board, and such a cooperation as did not, as I recall the facts, warrant any consideration being given to the so-called cooperatives of the character indicated by the Senator. I shall be glad to confer with him and advise him of the facts which have come to my attention; but for the present I desire that the measure go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

# STANDARDS FOR FRUIT AND VEGETABLE CONTAINERS

The bill (S. 1460) to fix standards for till baskets, climax baskets, round stave baskets, market baskets, drums, hampers, cartons, crates, boxes, barrels, and other containers for fruits or vegetables, to consolidate existing laws on this subject, and for other purposes, was announced as next in order.

Mr. ROBINSON. Mr. President, this bill has been on the calendar for almost a year. Upon previous calls of the calendar, under an order similar to that under which we are now proceeding, objections have been made to the consideration of the bill. I should like to ask if some member of the Committee on Agriculture and Forestry, or the author of the bill, can give the Senate an explanation of the measure.

Mr. BYRD. Mr. President, this bill was introduced at the request of the Department of Agriculture. It merely proposes to codify the existing laws with respect to standards for all containers of fresh fruits and vegetables, and likewise to prevent the sale of fruits or vegetables in closed packages unless the exact contents are clearly stated on the outside of the package. The purpose of the bill is to prevent the public from being misled as to the quantity that is contained in closed packages containing fruits or vegetables which are offered for sale.

I have no personal interest in the bill, except that I | number of farm organizations have favored it and have think it is a good bill, introduced at the request of the Department of Agriculture.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. BYRD. I yield.

Mr. BARKLEY. Does the bill compel the labeling of the packages and containers so as to indicate the quantity, or does it simply provide that where they are labeled they must be truthfully labeled?

Mr. BYRD. The bill not only provides that they shall be truthfully labeled but also that when the contents are in a closed package, the package shall be labeled on the outside as to the contents thereof, so as to protect the

Mr. KING. Mr. President, the Senator from Virginia will pardon me for asking whether the bill would prevent him from shipping some of his splendid apples from Virginia to the District of Columbia in an open container, or in any kind of container he desires to use.

Mr. BYRD. It would not. I will say to the Senator that the bill would require that the exact contents of a closed package be marked on the outside of the package.

Mr. KING. Would the bill compel farmers who bring in their products from Maryland and from Virginia, potatoes and other vegetables of all kinds, or who send them in, to go to the trouble and expense of obtaining containers of the character approved by the Department of Agriculture? Would the farmers have to label the containers in the way indicated?

Mr. BYRD. I will say to the Senator that the Department of Agriculture has already approved a large number of containers which are to be legalized by this bill; and, as I have said, the bill requires only that the shipper mark the contents of the container when it is a closed package. If the shipment is made in an open package, such marking is not required.

Mr. BONE. Mr. President, I regret the necessity for asking that the bill go over, but I shall have to do so. My colleague [Mr. Schwellenbach] has objected to the bill a number of times heretofore, and I now ask that it go over.

Mr. POPE. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. POPE. Sometime ago an objection to this bill was filed by some of the fruit growers in the Northwest; and, as I understood the Senator from Virginia, such objection had been removed or would be removed by an amendment to the bill.

Mr. BYRD. The bill does not in any way affect the shipment of fruit from the West; but the junior Senator from Washington [Mr. Schwellenbach] has objected to it. He apparently is not satisfied with the explanation made by the Department of Agriculture. In my judgment, the bill does not in any way influence or affect the shipment of fruit from the West.

The PRESIDENT pro tempore. Objection has been made, and the bill will be passed over.

## REFINANCING OF AGRICULTURAL INDEBTEDNESS

The bill (S. 212) to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system, through the use of the Farm Credit Administration, the Federal Reserve Banking System, and creating a board of agriculture to supervise the same was announced as next in order.

Mr. ROBINSON. I ask that the bill go over.

Mr. FRAZIER. Mr. President, I wish to inquire from the majority leader when we may expect to have this bill taken up for discussion and consideration by the Senate. The bill

memorialized Congress to pass the bill.

Mr. ROBINSON. Mr. President, in answer to the question of the Senator from North Dakota, I will state that I am unable to give him the information for which he calls.

The PRESIDENT pro tempore. The bill will be passed

#### BILLS PASSED OVER

The bill (S. 1476) to provide for unemployment relief through development of mineral resources; to assist the development of privately owned mineral claims; to provide for the development of emergency and deficiency minerals; and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 476) relating to promotion of civil-service employees was announced as next in order.

Mr. McKELLAR. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 1952) extending the classified executive civil service of the United States was announced as next in order. Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 2405) to provide for a special clerk and liaison officer was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

ACCEPTANCE OF MEDALS, ETC., BY OFFICERS OF THE NAVY, ETC.

The bill (S. 1975) to authorize certain officers of the United States Navy, and officers and enlisted men of the Marine Corps, to accept such medals, orders, diplomas, decorations, and photographs as have been tendered them by foreign governments in appreciation of services rendered was announced as next in order.

Mr. KING. I ask that the bill be passed over.

Mr. WALSH. Mr. President, I desire to explain the bill very briefly.

Further on in the calendar there is a bill authorizing the President to bestow an honor upon two officers of the British Navy who succeeded in saving the personnel of the U.S.S. Fulton, which ship was destroyed by fire at sea. From time to time various governments of the world bestow rewards or honors or medals upon those in the service of the army or navy of other countries who do heroic things. This bill gives the authority of Congress to the reception of such honors by American officers and enlisted men in the Navy and the Marine Corps to whom foreign governments desire to show their appreciation of heroic actions performed for the benefit of the citizens of those countries.

Bills of this kind from time to time are passed by the Senate, usually only one bill at the time; but the Navy Department, rather than have a large number of private bills, has bulked together all those who have been offered these medals and honors, and they are named in the bill which is now pending.

It seems to me the bill ought to be enacted without opposition.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the following-named officers of the

has been on the calendar since May 7 of last year, and an unsuccessful attempt has been made to get before the House of Representatives a similar bill, a companion bill. It has been lost there.

I think everyone knows something of the history of the measure. It provides for giving the farmers a lower rate of interest and easier payments, in order to save their homes and farms. I think the measure is a very worthy one. A

Rear Admiral Henry V. Butler; Rear Admiral Walter S. Crosley; Rear Admiral Frank B. Upham; Rear Admiral Edward B. Fenner; Rear Admiral George T. Pettengill; Rear Admiral Clark N. Woodward; Rear Admiral William H. Allen; Capt. Reuben B. Coffey; Capt. Vaughn K. Coman; Capt. Gordon W. Haines; Capt. Alfred G. Howe; Capt. Victor A. Kimberly; Capt. David M. Le Breton; Capt. William R. Sayles; Capt. Halsey Powell; Capt. Willia W. Bradley, Jr.; Capt. Frank H. Roberts; Capt. Arthur B. Cook; Capt. Benyaurd B. Wygent; Capt. Rufus F. Zogbaum, Jr.; Capt. Frank Jack Fletcher; Capt. Matthias E. Manly; Capt. Alfred W. Brown; Capt. Augustine T. Beauregard; Capt. Harold M. Bemis; Capt. Herbert H. Michael; Capt. MacGillivray Milne; Capt. Milo F. Draemel; Capt. Edward A. Evers, Naval Reserve; Capt. Edward T. Hooper, Supply Corps; Capt. Holden C. Richardson, Construction Corps, retired; Capt. Kent C. Melhorn, Medical Corps; Capt. Lucius W. Johnson, Medical Corps; Commander Ernest L. Gunther; Commander Hamilton V. Bryan; Commander Ernest L. Gunther; Commander Harold C. Train; Commander Ward W. Waddell; Commander William W. Smith; Commander Ward W. Waddell; Commander Earl W. Spencer; Commander William H. Pashley; Commander Earl W. Spencer; Commander William H. Pashley; Commander Ralph F. Wood; Commander Joel T. Boone, Medical Corps; Commander Ralph F. Wood; Commander Joel T. Boone, Medical Corps; Commander Maurice M. Witherspoon, Chaplain Corps; Commander Maurice M. Witherspoon, Chaplain Corps; Commander Bernhard H. Bieri; Lt. Comdr. Albert S. Marley; Lt. Comdr. Charles G. Moore, Jr.; Lt. Comdr. Albert S. Marley; Lt. Comdr. Charles G. Moore, Jr.; Lt. Comdr. John J. Carrick, Naval don D. Hale, Medical Corps; Commander Walter C. Espech, Medical Corps; Commander Maurice M. Witherspoon, Chaplain Corps; Commander Bernhard H. Bieri; Lt. Comdr. Albert S. Marley; Lt. Comdr. Charles G. Moore, Jr.; Lt. Comdr. John J. Carrick, Naval Reserve; Lt. Comdr. Emil J. Carroll, Naval Reserve; Lt. Comdr. Francis G. Donebrink; Lt. Comdr. Victor C. Barringer, Jr.; Lt. Comdr. Ralph A. Ofstie; Lt. Comdr. Lucien B. Green, II, retired; Lt. Comdr. Dallas D. Dupre; Lt. Comdr. Harold B. Crow, Naval Reserve; Lt. Comdr. Edward O. McDonnell, Naval Reserve; Lt. Comdr. Schuyler F. Cumings, Naval Reserve; Lt. Comdr. Charles W. Stevenson, Supply Corps; Lt. Comdr. Charles R. O'Leary, Supply Corps; Lt. Comdr. Hardy V. Hughens, Medical Corps; Lt. Comdr. Thomas L. Morrow, Medical Corps; Lt. Comdr. Louis E. Mueller, Medical Corps; Lt. Comdr. Victor B. Riden, Medical Corps; Lt. Comdr. William M. H. Turville, Medical Corps; Lt. Comdr. Horace R. Boone, Medical Corps; Lt. Comdr. Warwick T. Brown, Medical Corps; Lt. Comdr. Harry S. Harding, Medical Corps; Lt. Comdr. Robert W. Wimberly, Medical Corps; Lt. L. Comdr. Hillard L. Weer, Medical Corps; Lt. Robert F. Hickey; Lt. Harvey R. Bowes; Lt. Buell F. Brandt; Lt. George H. De Baun; Lt. John M. Brewster; Lt. Curry E. Eason; Lt. Mawxwell B. Saben; Lt. John F. Gillon; Lt. Col. H. Mansfield, Chaplain Corps; Lt. Walter G. Kilbury, Medical Corps; Lt. Hugh E. Mouldin, Dental Corps; Lt. (Jr. Gr.) James H. Taylor; Lt. (Jr. Gr.) Frank E. Latauzo, Naval Reserve; Lt. (Jr. Gr.) Robert C. Douthat, Medical Corps; Lt. (Jr. Gr.) Freeman C. Harris, Medical Corps; Lt. (Jr. Gr.) Frank E. Latauzo, Naval Reserve; Ensign Howard F. Hozey, Naval Reserve Force; Chief Boatswain William C. Baker; Chief Pharmacist Roy Aikman; Chief Pharmacist Leon H. French.

United States Marine Corps: Ensign Howard F. Hozey, Naval Reserve Force; Chief Boatswain William C. Baker; Chief Pharmacist Roy Aikman; Chief Pharmacist Leon H. French.

George H. Mills. Dental Corps; Ensign Howard F. Hozey, Naval Reserve Force; Chief Boatswain William C. Baker; Chief Pharmacist Roy Aikman; Chief Pharmacist Leon H. French.

United States Marine Corps: Maj. Gen. James C. Breckinridge; Brig. Gen. George Richards; Brig. Gen. Rufus M. Lane, retired; Brig. Gen. Hugh Matthews; Brig. Gen. Rufus M. Lane, retired; Brig. Gen. Hugh Matthews; Brig. Gen. Rufus M. Lane, retired; Gen. Frederick L. Bradman; Brig. Gen. Louis McCarty Little; Brig. Gen. Frederick L. Bradman; Brig. Gen. Richard T. Williams; Col. Richard M. Cutts; Col. Presley M. Rixey, Jr.; Col. Seth Williams; Col. James J. Meade; Col. Clayton S. Vogel; Col. Calvin B. Matthews; Lt. Col. Lauren S. Willis, retired; Lt. Col. Jeter R. Horton; Lt. Col. Franklin B. Garrett; Lt. Col. Calboun Ancrum; Lt. Col. William S. Col. Julian C. Smith; Lt. Col. Roy E. Geiger; Lt. Col. Harry Schmidt; Lt. Col. De Witt Peck; Lt. Col. William B. Sullivan; Lt. Col. Henry L. Larsen; Lt. Col. Arnold W. Jacobsen; Maj. Thomas S. Clarke; Maj. Joseph C. Fegan; Maj. Frederick R. Hoyt; Maj. Marion B. Humphrey; Maj. Allen H. Turnage; Maj. Louis M. Bourne; Maj. Matthew S. Kingman; Maj. John F. S. Norris; Maj. Anderson C. Deering; Maj. Ralph J. Mitchell; Maj. Samuel L. Howard; Maj. Oscar R. Cauldwell; Maj. Thomas E. Watson; Maj. Walter C. Sheard; Maj. Roger W. Peard; Maj. Lious W. Whaley; Maj. Leroy P. Hunt; Maj. Leo D. Merale; Maj. Lenuel C. Shepherd, Jr.; Maj. James E. Davis; Maj. Alphonse De Carre; Maj. James T. Moore; Maj. Alfred N. Noble; Maj. Franklin A. Hart; Maj. William N. Beat; Maj. Herbert Hardy; Maj. Ralph E. West; Capt. Graves B. Erskine; Capt. Robert Yowell; Capt. Francis P. Mulcahy; Capt. Maurice C. Holmes; Capt. Eugene F. C. Collier; Capt. Otto Salzman; Capt. Maurice S. Gregory; Capt. James P. Smith; Capt. Edward L. Durvail, Jr.; Capt. Otto Salzman; Capt. Harry Paul; Capt. Harry W. Gamble; Ca

Atkinson; Capt. William L. Bales; Capt. Frederick C. Diebush; Capt. Terrell J. Crawford; Capt. John T. Walker; Capt. William P. T. Hill; Capt. Jesse A. Nelson; Capt. Henry A. Carr; Capt. William C. Hall; Capt. Edwin J. Farrell; Capt. Louis E. Woods; Capt. Augustus H. Fricke; Capt. William S. Fellers; Capt. Herbert S. Keimling; Capt. Walter W. Wensinger; Capt. Ernest E. Lincort; First Lt. William L. McKittrick; First Lt. Max D. Smith; First Lt. David A. Stafford; First Lt. Roy W. Conkey; First Lt. Harold N. Rosecrans; First Lt. Horace D. Palmer; First Lt. Hayne D. Royden; First Lt. Christian F. Schilt; First Lt. James H. Strother; First Lt. Ivan W. Miller; First Lt. John C. McQueen; First Lt. William W. Davies; First Lt. James W. Smith; First Lt. Lewis A. Hohn; First Lt. Lucian C. Whitaker; First Lt. Ralph E. Forsyth; First Lt. Pierson E. Conradt; First Lt. Cregon A. Williams; First Lt. Evans F. Carlson; First Lt. John W. Lakes; First Lt. George F. Good, Jr.; First Lt. William R. Hughes; First Lt. Maxwell H. Mizell; First Lt. Charles W. Kail; First Lt. Lewis D. Fuller; First Lt. Joe N. Smith; First Lt. Herbert F. Becker; First Lt. Alexander W. Kreiser; First Lt. Edward J. Trumble; First Lt. James C. Brauer; First Lt. Francis J. Cunningham; First Lt. Paul A. Putnam; First Lt. John S. E. Young; First Lt. William D. Saunders; First Lt. Lofton R. Henderson; First Lt. John N. Coffman; First Lt. Peter P. Schrider; First Lt. Robert L. Griffin; First Lt. James P. Risely; First Lt. Samuel S. Jack; First Lt. Frank M. June; First Lt. Miles S. Newton; First Lt. Ira L. Kimes; First Lt. Reginald H. Ridgely; First Lt. Nols H. Nelson; First Lt. Frank C. Dalley; First Lt. Frank H. Wirsig; Second Lt. Robert L. Peterson; Second Lt. Kenneth H. Weir; Second Lt. Arthur F. Binney; Second Lt. Clovis C. Coffman; Second Lt. Arthur F. Binney; Second Lt. Lester S. Hame!; Second Lt. Ernest E. Pollock; Second Lt. Frank C. Croft; Second Lt. Newin O. Hammond; Second Lt. James P. Berkeley; Second Lt. Peter A. McDonald; Second Lt. Michael M. Mah Donald; Second Lt. Michael M. Mahoney; Second Lt. Fred D. Beans; Second Lt. Edgar O. Price; Second Lt. Lebulon C. Hopkins; Second Lt. William A. Willis; Second Lt. John M. Davis; Chief Marine Gunner John F. Evans; Chief Marine Gunner Otho Wiggs; Chief Marine Gunner John F. Evans; Chief Marine Gunner Otho Wiggs; Chief Marine Gunner Jesse W. Stamper; Chief Marine Gunner Frank F. Putcarmer; Chief Marine Gunner Frank O. Lundt; Chief Marine Gunner Michael Wederczyk; Chief Marine Gunner Harold Ogden; Chief Quartermaster Clerk August F. Schonefeld; Chief Quartermaster Clerk William A. Warrell, retired; Chief Quartermaster Clerk Albert O. Woodrow; Chief Quartermaster Clerk Elmer W. Darde; Chief Pay Clerk Benjamin H. Wolever; Chief Pay Clerk Clinton A. Phillips; Chief Pay Clerk Timothy E. Murphy; Marine Gunner Kennard F. Bubier; Marine Gunner Albert S. Nunach; Marine Gunner Harry R. Baley; Marine Gunner Thomas Whitezel; Marine Gunner Walter N. Hendersen; Marine Gunner Bobert S. McCook; Sgt. Maj. James M. Barmead; Sgt. Maj. Carl Svenson; Sgt. Maj. Charles A. White; Q. M. Sgt. Frederick J. Widman; Q. M. Sgt. Rupert F. Stone; Master Technical Sgt. Millard T. Shepard; Paymaster Sgt. Fred Parquette; First Sgt. Edwin C. Clarke; First Sgt. Cecil N. Bietz; First Sgt. Charles H. Gray; First Sgt. William O'Grady; First Sgt. Alfred Sylvester; First Sgt. Harry Watkins; First Sgt. Nicholas M. Griece; First Sgt. Frederick Dalton; First Sgt. Louis N. Bertol; First Sgt. Russell O. Beard; First Sgt. Otto Poland; First Sgt. Richard Shaker; First Sgt. Charles E. Stuart; First Sgt. Frank Verdier; First Sgt. Curtis O. Whitney; Gunnery Sgt. Joseph A. Saunders; Gunnery Sgt. Bernard J. Durr; Gunnery Sgt. Joseph A. Saunders; Gunnery Sgt. Bernard J. Durr; Gunnery Sgt. Joseph A. Baunders; Gunnery Sgt. Douglas S. Catchis; Sgt. Daniel J. Donahoe; Sgt. Charles Sorenson; Pvt. John David.

The title was amended so as to read: "An act to authorize

The title was amended so as to read: "An act to authorize certain officers of the United States Navy, officers and enlisted men of the Marine Corps, and officers and enlisted men of the United States Army to accept such medals, orders, diplomas, decorations, and photographs as have been tendered them by foreign governments in appreciation of services rendered."

## BILLS PASSED OVER

The bill (S. 916) to carry into effect the decision of the Court of Claims in favor of claimants in French spoliation was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 2583) establishing certain commodity divisions in the Department of Agriculture was announced as next in order.

Mr. KING. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 379) to provide for the deportation of certain alien seamen, and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 2998) to control the trade in arms, ammunition, and implements of war was announced as next in order. Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1632) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by water carriers operating in interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. BONE. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2825) to provide for the establishment of a National Planning Board and the organization and functions thereof was announced as next in order.

Mr. KING. Let the bill go over.

Mr. COPELAND. Mr. President, will the Senator withhold his objection for just a moment?

This measure was introduced by the Senator from Michigan [Mr. Vandenberg]. In my judgment, the bill is of great national interest. It has to do with the continuation of the Resources Board, which has been in operation for several years. It has to do with the determination of natural resources in this country which we might utilize, instead of importing them from abroad—the mineral resources, the timber resources, the chemical resources.

I realize that the situation now is such that on the Consent Calendar we could hardly do anything with the bill; but I am convinced that at some time or other this bill should receive the serious consideration of the Senate.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 3072) to amend the Tariff Act of 1930, as amended, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2665) to change the name of the Department of the Interior and to coordinate certain governmental functions was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over. The PRESIDENT pro tempore. The bill will be passed

## DEPORTATION OF ALIEN CRIMINALS

The bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes, was announced as next in

Mr. RUSSELL. I ask that that bill go over. I understood that was the bill which was called a few minutes ago, but evidently I was mistaken, as the previous bill was Order of Business 881, being Senate bill 379. I have no objection to that bill, and the objection to it was made inadvertently.

Mr. COPELAND. I object to Senate bill 379. Mr. McKELLAR. Mr. President, I think they are different bills.

Mr. COPELAND. Mr. President, as to Calendar No. 1210, Senate bill 2969, let me say that there have been several hearings since it was last considered by the Senate, and that the bill is now presented with amendments which make it more acceptable than heretofore. I am embarrassed by the fact that, because of other duties, I was not in attendance upon those meetings, and the chairman of the committee is not now present.

Mr. KING rose.

Mr. COPELAND. Perhaps the Senator from Utah can explain the situation.

Mr. KING. Mr. President, the Senator is accurate in stating that there have been hearings since the bill now on the calendar was reported. At those hearings a number of amendments to the bill were suggested and were tentatively agreed upon by Members who were present. Unfortunately,

the chairman of the committee, the junior Senator from Massachusetts [Mr. Coolinge], is absent. I told him that I would try to have the bill acted upon at an early date.

The amendments which were tendered, and which were tentatively accepted by the members of the committee present, were ordered to be printed; a blueprint has been made, and it is my intention to call the committee together this week and see if we cannot agree upon a bill and report it for prompt consideration.

Mr. COPELAND. I thank the Senator.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. KING. Just a sentence further and then I will yield. The bill ought to be passed for the reason that, aside from the hardships that are involved with respect to about 2,800 persons, there are 20,000 alien criminals in the United States who ought to be deported, but who may not be deported because of existing law. The bill which is before the committee, with the amendments which have been agreed upon, if enacted, will permit and compel the deportation of those 20,000. I now yield to my friend from Arkansas.

Mr. ROBINSON. Mr. President, this bill has been several times called for consideration in the Senate and objections to its consideration have been made. It is my information that the amendments which have been proposed and, as the Senator from Utah says, tentatively accepted by the committee remove the material objections which have been urged against the bill.

No Senator wants to preserve a protected status for alien criminals, and the primary purpose of the proposed legislation is to prevent that situation, although there are other important provisions of the bill. I am hopeful that the committee may submit its report and that those who are interested in the subject matter may familiarize themselves with it, to the end that the bill may be brought forward in due course.

Mr. KING. Mr. President, I shall ask consideration tomorrow of the bill, and, in the meantime, as soon as the Senate adjourns this afternoon I shall ask the members of the committee to meet.

Mr. ROBINSON. Mr. President, may I suggest to the Senator that it would be well to report the bill with amendments, so that Senators who are interested in the subject may have the opportunity before it is taken up of familiarizing themselves with the amendments?

Mr. KING. My intention was, if possible, to report the bill this afternoon with amendments, and have it printed so that Senators might have full opportunity to consider it at the next session of the Senate.

Mr. McKELLAR. Mr. President, will the Senator yield for a moment?

Mr. KING. I yield.

Mr. McKELLAR. As I understand, the purpose of the bill is to remove certain inequalities that are now in the law concerning the separation of families, and the next important matter is to deal with criminal aliens. It seems to me that, if such is the purpose of the bill, it ought to be enacted at the earliest possible moment.

Mr. KING. I agree with the Senator. The primary purpose is deportation—it is a deportation bill—we want to get rid of 20,000 aliens who are criminals. That is the primary purpose of that measure I wish to emphasize, and the secondary purpose is to care for a number of unfortunate cases involving persons who would be subject to deportation but as to whom there are equities that ought to weigh in their behalf so that they may be permitted to remain in the United States.

Mr. COPELAND. Mr. President, will the Senator yield? Mr. KING. I vield.

Mr. COPELAND. Those exceptional cases involve three or four thousand children, who would be left here without their parents if the law were carried out.

Mr. RUSSELL. Mr. President, we may disagree as to the primary purposes of the bill, but the Committee on Immigration has given the bill hearings, and it appears that it will be wholly possible to work out a measure acceptable to practically all the members of the committee, at least.

The PRESIDENT pro tempore. The Chair inquires of the Senator from Utah if it is his desire to have the bill recommitted to the committee?

Mr. KING. No.

The PRESIDENT pro tempore. The bill will be passed

Mr. DAVIS subsequently said: Mr. President, may I have the attention of the senior Senator from Utah [Mr. King]? As I understood, a few moments ago the Senator said that if the Coolidge bill with amendments were passed, the Secretary of Labor then would have power to deport some 20,000 criminal aliens. Did I correctly understand the Senator?

Mr. KING. I stated a few moments ago, when a measure was reached on the calendar—the so-called immigration bill, though it is really a deportation bill-that the information before the committee, which came from Mr. Mac-Cormack and Mr. Shaughnessy, was that under that bill, if it should be enacted into law, at least 20,000 aliens who are criminals and who ought to be deported would be deported, and that under the present law they could not be deported. The bill has gone over, however; so it is not before the Senate for consideration.

Mr. DAVIS. Has the Senator in mind the proposed legislation which the Commissioner of Immigration has recom-

mended should be passed?

Mr. KING. I have that in mind; and I based my statement in part upon the statement of Mr. MacCormack, the Commissioner of Immigration and Naturalization; the statement of Mr. Shaughnessy, the Deputy Commissioner; and the recommendation of the Department of Labor.

Mr. DAVIS. Will the Senator place those hearings in the RECORD today, so that we may be able to study them?

Mr. KING. I shall be glad to do so if they have been printed. I presume they have been printed, although I have not seen them.

Mr. ROBINSON. Mr. President, if the hearings have been printed it is not necessary to have them published in the RECORD. The hearings might be very voluminous and very expensive to publish in the RECORD.

Mr. DAVIS. I do not mean to have the complete hearings published in the RECORD, but that part of them to which the Senator called my attention, saying that we should amend the present immigration laws to enable the authorities to carry out purposes already covered by legislation.

Mr. KING. Let me say to the Senator that the bill as it is upon the calendar was not satisfactory to some members of the committee. Thereupon the chairman of the committee called the committee together for the purpose of considering the views that might be expressed by members of the committee. Thereupon representatives of the Department of Labor, including Mr. MacCormack and Mr. Shaughnessy, came before the committee and gave their testimony. That testimony was taken down in shorthand and has been printed, as I assume; and I shall be glad to see that the Senator from Pennsylvania has copies of all the testimony given at the hearings before the Committee on Immigration.

Mr. ROBINSON. Mr. President, I distinctly recall that a statement issued by Mr. MacCormack himself, about the time of the hearings, which goes into the subject fully, explains the necessity for the enactment of the legislation and discusses some of the amendments that were proposed.

Mr. KING. That is correct.

Mr. ROBINSON: The Senator from Pennsylvania can

easily procure that statement.

Mr. DAVIS. Mr. President, I am of the opinion that it is not necessary for any legislation to be enacted in order to deport any criminal alien, or any alien who is now here illegally.

Mr. ROBINSON. Mr. President, in reply to that statement I may say that the Senator takes a position in opposition to that taken by the Secretary of Labor, the Commissioner of Immigration and Naturalization, and the counselors of both those officials. They point out wherein the present law is defective. They disclose the reasons why a large number of criminal aliens cannot be deported.

Mr. DAVIS. Mr. President, I may say to the Senator that I take issue with the Commissioner of Immigration and Naturalization; and, as I understand now from the Senator from Utah, who is a member of the committee, they have withdrawn the bill, and have offered certain amendments.

Mr. ROBINSON. No; the Senator is mistaken about that. The bill has not been withdrawn. At the instance of a number of Senators, hearings were held, and some amendments have been tentatively agreed to. The bill has gone over,

and all this discussion is out of order.

Mr. DAVIS. I desire to answer the Senator by saying that at least it caused the Senate Committee on Immigration to hold further hearings on the bill to listen to the protests of the labor groups that are under the jurisdiction of the American Federation of Labor, and the patriotic societies of the country.

Mr. KING. The organizations referred to have been heard, and the matter closed; and I object to further con-

sideration of it at this time.

Mr. DAVIS. But had we gone on and considered the bill and passed it, the people to whom the Senator has just referred would not have been heard. They desired to state their objections.

Mr. KING. The Senator is in error. I call for the regular

The PRESIDENT pro tempore. The regular order is demanded. The clerk will state the next bill on the calendar.

#### BILL PASSED OVER

The bill (S. 1826) for the retirement of employees in the classified civil service to include employees in the legislative branch was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed

## RESIDENCE REQUIREMENTS UNDER CIVIL-SERVICE LAW

The bill (S. 3160) to amend the law relating to residence requirements of applicants for examinations before the Civil Service Commission, was announced as next in order.

Mr. KING. I ask that the bill go over.

Mr. BULOW. Mr. President-

Mr. KING. I withhold the objection if the Senator from South Dakota desires to explain the measure.

Mr. BULOW. Mr. President, this bill was introduced at the suggestion of the Civil Service Commission. All that it proposes is to fix the residence requirement in the case of persons who are appointed in the apportioned departmental service in the District of Columbia. The residence requirement is made 1 year instead of 6 months. When the census law of 1929 was enacted it repealed the law of 1919, requiring a year's residence, and there is some uncertainty about it.

Mr. McKELLAR. As I understand, the present law provides a 6 months' residence requirement?

Mr. BULOW. That is correct.

Mr. McKELLAR. And the passage of this bill would extend it-

Mr. BULOW. To 1 year.
Mr. McKELLAR. To 1 year. The committee thought that the time ought to be extended from 6 months to 1 year?

Mr. BULOW. Yes.

Mr. McKELLAR. I, too, think so.

Mr. KING. Mr. President, I withdraw the objection to the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 3160) to amend the law relating to residence requirements of applicants for examinations before the Civil Service Commission was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the proviso of the second paragraph under the caption "Civil Service Commission" in the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June

30, 1891, and for other purposes", ap amended, is amended to read as follows:

amended, is amended to read as follows:

"Hereafter every application for examination before the Civil Service Commission for appointment in the departmental service in the District of Columbia shall be accompanied by a certificate of an officer, with his official seal attached, of the county and State of which the applicant claims to be a citizen, that such applicant was, at the time of making such application, a legal or voting resident of said county, and had been such resident for a period of not less than 1 year next preceding, but this provision shall not apply to persons who may be in the service and seek promotion or appointment in other branches of the Government."

#### BILL PASSED OVER

The bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid in national defense, and for other purposes, was announced as next in order.

Mr. COPELAND. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed

## AIR TRANSPORTATION IN INTERSTATE AND FOREIGN COMMERCE

The bill (S. 3420) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. ROBINSON. Mr. President, I presume that bill had better go over. Its author is ill, and it appears to be a measure of considerable importance.

Mr. COPELAND. Mr. President, in connection with Senate bill 3420, while I think the suggestion that the bill go over is wise, yet I feel impelled to tell the Senate that the Committee on Safety in the Air is in process of formulating legislation which it thinks will go along the lines suggested by the bill which has just been called. So nothing has been lost with regard to safety, I am sure, by deferring action on the bill for the moment.

The PRESIDENT pro tempore. The bill will be passed

## BILL PASSED OVER

The bill (S. 3393) to create a Federal Board of Foreign Trade was announced as next in order.

Mr. ROBINSON. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

## REGULATION OF TRANSACTIONS ON GRAIN EXCHANGES

The bill (H. R. 6772) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges. to limit or abolish short selling, to curb manipulation, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, I should like to have the attention of the able Senator from Arkansas, and express to him the hope that at some date not far remote we may be able to consider the bill under a special order or have it made the unfinished business. It is a bill that has the support, I think, of all the cooperative organizations and farm groups in the country. I have had many personal appeals made to me, I have received a great many letters relative to the measure, and I am exceedingly anxious for the time to come, and that at a very early date, when the bill may be made the unfinished business.

Mr. ROBINSON. Mr. President, I concur in the opinion that the bill should be taken up for consideration; and, so far as I am concerned, I am ready to proceed to its consideration at any time. There have been some delays, to my regret, due to controversies growing out of amendments that were reported by the Committee on Agriculture and Forestry. I shall be glad to cooperate to secure consideration of the bill.

Mr. McNARY. I knew that would be the answer of the Senator from Arkansas, and I appreciate his feeling of friendliness toward the measure.

Mr. LEWIS. Mr. President, may I ask the Senator from Oregon if he is aware of any protest as to the measure com-

approved July 11, 1890, as | ing from Chicago or institutions such as the Board of Trade of Chicago?

> Mr. McNARY. No; I am not; but I would expect an objection from that quarter would be forthcoming. That, however, does not deter me in my desire to see the proposed legislation enacted.

> Mr. LEWIS. I do not deny that my interest depends on the quantity and quality of support the measure may afford in the coming senatorial election. [Laughter.] In the meantime, I am content to have adopted the course agreed upon by the able leader of this side of the Chamber and the Senator from Oregon.

> Mr. POPE. Mr. President, I have talked to a number of Senators from western States who are interested in this bill; some conferences have been held among them, and they are very anxious that the bill be taken up as soon as possible. I have also talked with the chairman of the Committee on Agriculture and Forestry; I think I will hear from him within the next few hours and that he will agree to withdraw the amendments which I think have caused the delay.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. POPE. I yield.

Mr. ROBINSON. I myself have discussed that subject with the Senator from South Carolina [Mr. SMITH], the chairman of the Committee on Agriculture and Forestry. I am satisfied that the withdrawal of the amendment which the Senator has in mind will facilitate a prompt disposition of the bill. Such action was suggested by myself to the Senator from South Carolina some weeks ago, and I understood he was considering the suggestion favorably, but I have not been advised as to his conclusions.

The PRESIDENT pro tempore. The bill will be passed

#### DESIGNATION OF BUREAU OF NAVIGATION AND STEAMBOAT INSPECTION

The bill (H. R. 8599) to provide for a change in the designation of the Bureau of Navigation and Steamboat Inspection, to create a marine casualty investigation board, and increase efficiency in administration of the steamboat-inspection laws, and for other purposes, was announced as next in order.

Mr. COPELAND. Mr. President, this bill, as will be observed, has been on the calendar since August last. It was objected to for a long time by the Senator from Wisconsin [Mr. La Follette]. He has now withdrawn his objection. The Committee on Commerce, however, desires to offer certain amendments, and it would be very desirable, in my opinion, if the bill could be passed. It has to do with the inspection of vessels as to safety, to make certain that disasters such as the Mohawk and Morro Castle disasters may not again occur so far as we can prevent them by inspections and care. So I hope the Senate will accord the bill a few moments so that it may be passed with the amendments desired by the committee.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider

The PRESIDENT pro tempore. The amendments offered by the Senator from New York on behalf of the committee will be stated.

The CHIEF CLERK. On page 2, line 1, after the words "civil service", it is proposed to strike out "rules and regulations" and in lieu thereof to insert "laws or the Classification Act of 1925, as amended,"

Mr. McKELLAR. Mr. President, I should like to have an explanation of the bill.

Mr. COPELAND. I shall be glad to give it again. I fear the Senator was not listening.

Mr. McKELLAR. I was not, and I beg the Senator's

Mr. COPELAND. The Bureau of Navigation and Steamboat Inspection has to do with the inspection of ships as to their safety. There are certain defects in the law which have been made manifest by recent disasters, such as those which

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befell the *Morro Castle* and the *Mohawk*. It was deemed necessary that there should be a revision of the law. The Committee on Commerce has a special committee investigating safety at sea, and in connection with that there is a distinguished voluntary group headed by Admiral Rock that has gone into these matters with great care.

Mr. McKELLAR. It applies to the safety of vessels at sea and makes the safeguards greater?

Mr. COPELAND. That is correct.

Mr. KING. Mr. President, is the Senator referring to the measure to which the Senator from Wisconsin [Mr. La Follette] has previously objected?

Mr. COPELAND. He formerly objected to it. The Senator from Utah has in mind the next bill on the calendar, which the Senator from Wisconsin wishes to have go over, but he has withdrawn all objections to the pending bill.

Mr. KING. May I ask the Senator whether Andrew Furuseth has withdrawn his objections?

Mr. COPELAND. It was because of his objections that the Senator from Wisconsin asked to have the bill go over, but those objections have all been withdrawn.

Mr. KING. If Mr. Furuseth is favorable, I have no objection. I say that because of his great knowledge of all marine questions.

Mr. COPELAND. I hold him in the same high esteem.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment offered by the Senator from New York on behalf of the committee will be stated.

The next amendment of the Committee on Commerce was, on page 2, line 25, after the word "Commerce", to insert "without regard to the civil-service laws or the Classification Act of 1925, as amended."

The amendment was agreed to.

The next amendment was, on page 4, after line 8, to strike out:

(b) For the purpose of investigating marine casualties not involving loss of life and all cases of acts of incompetency or misconduct or any act in violation of any of the provisions of this title, or of any of the regulations issued thereunder, committed by any licensed officer or holder of a certificate of service while acting under the authority of his license or certificate of service, whether or not any of such acts are committed in connection with any marine casualty, the Director of the Bureau of Marine Inspection and Navigation, with the approval of the Secretary of Commerce, is hereby authorized and directed to appoint marine boards, each consisting of two principal traveling inspectors and a supervising inspector of the said Bureau.

## And in lieu thereof to insert:

(b) The Secretary of Commerce shall establish rules and regulations for the investigation of marine casualties and accidents not involving loss of life, any act in violation of any of the provisions of this title or of any of the regulations issued thereunder, and all cases of acts of incompetency or misconduct committed by any licensed officer or holder of a certificate of service while acting under the authority of his license or certificate of service, whether or not any of such acts are committed in connection with any marine casualty or accident. The Secretary of Commerce shall classify marine casualties and accidents not involving loss of life according to the gravity thereof, and in making such classification the Secretary shall give consideration to the extent of injuries to persons, the extent of property damage, the dangers actual or potential which such marine casualties or accidents may create to the safety of navigation of commerce. All such marine casualties or accidents classified as serious shall be investigated by a marine board appointed by the Secretary of Commerce consisting of two principal traveling inspectors and a supervising inspector of the Bureau of Marine Inspection and Navigation. Marine casualties or accidents classified as less serious shall be investigated by a marine board consisting of representatives of the Bureau of Marine Inspection and Navigation designated by the director thereof.

Mr. McKELLAR. Mr. President, may I ask the Senator from New York what expense will be involved and how it will be borne?

Mr. COPELAND. There will not be any added expense. Mr. McKELLAR. I notice there is no authorization for an appropriation in the bill.

Mr. COPELAND. The bill provides for a reorganization of the Bureau, and does not involve money.

The PRESIDENT pro tempore. The question is on agree-ing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 5, after line 5, to strike out:

(d) Immediately after the occurrence of a marine casualty the appropriate board shall conduct an investigation into any acts of incompetency or misconduct or any acts in violation of any of the provisions of this title, or of any of the regulations issued thereunder, committed by any licensed officer acting under authority of his license, or by any chief or assistant steward, purser, or radio operator acting under authority of a certificate of service issued to him by the board of local inspectors of steam vessels, or by any seaman; and into all circumstances surrounding such marine casualty, and shall determine, so far as possible, the cause of such casualty, the persons responsible therefor, and whether or not United States Government employees charged with the inspection of the vessel or vessels involved and with the examination and licensing of the officers thereof have properly performed their duties in connection with such inspection, examination, and licensing.

#### And in lieu thereof to insert:

(d) All acts in violation of any of the provisions of this title or of any of the regulations issued thereunder, whether or not committed in connection with any marine casualty or accident, and all acts of incompetency or misconduct, whether or not committed in connection with any marine casualty or accident, committed by any licensed officer acting under authority of his license or by any chief or assistant steward, purser, radio operator, electrician, able seaman, or lifeboatman acting under authority of a certificate of service issued to him by the Bureau of Marine Inspection and Navigation, and all marine casualties and accidents and the attendant circumstances shall be immediately investigated by the appropriate board as provided in subsection (b) of this section. Such board shall determine, as far as possible, the cause of any such casualty or accident, the persons responsible therefor, and whether or not United States Government employees charged with the inspection of the vessel or the vessels involved and with the examination and licensing of the officers thereof have properly performed their duties in connection with such inspection, examination, and licensing. In all investigations conducted under the authority of this section a full and complete record of the Bureau of Marine Inspection and Navigation.

Mr. McKELLAR. Mr. President, I notice that the provisions include infractions of regulations as well as of law. Is there another section of the bill which imposes penalties or fines or imprisonment for violation of regulations?

Mr. COPELAND. There are certain fines imposed under the law, such as for violation of a regulation that davits must be installed in a given position on a given ship.

Mr. McKELLAR. I do not think the bill ought to provide punishment for violations of regulations. I notice the amendment does include regulations. I think the law ought not to provide for fining anyone or putting him in jail for violating regulations. We ought not to make criminals out of men who merely violate regulations. If they violate the law, they ought to be punished.

Mr. COPELAND. I want to make clear to the Senator that it would not be possible to write into the law all the regulations necessary for the safety of ships.

Mr. McKELLAR. Of course, I appreciate that.

Mr. COPELAND. We could not incorporate regulations as to how the davits should be placed, how the lifeboats should be placed, how the smoke devices to obviate sparks should be placed, how many life preservers there should be, and so forth. Such matters are covered by regulations laid down by the Bureau of Navigation.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment of the Committee on Commerce, was, on page 11, line 5, after the word "vessels", to insert "except as far as existing law places definite responsibility on the Bureau of Marine Inspection and Navigation."

The amendment was agreed to.

The next amendment was, on page 14, line 18, after the word "duty" and the period, to strike out "The said extra compensation for overtime services shall be paid by the master, owner, or agent of such vessel to the" and insert "A fee of \$25, for each 8 hours or fraction thereof that an inspector is engaged for overtime, holiday, or Sunday

work, shall be paid by the master, owner, or agent of the vessel to the."

The amendment was agreed to.

The next amendment was, on page 16, after line 11, to insert a new section, as follows:

Sec. 9. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The amendment was agreed to.

Mr. GIBSON. Mr. President, may I ask the Senator from New York if the bill is now to go over?

Mr. COPELAND. Does the Senator refer to Calendar No. 1518, being Senate bill 2003?

Mr. GIBSON. I refer to House bill 8599.

Mr. COPELAND. Senate bill 2003 has gone over repeatedly, first on objection of the Senator from Wisconsin [Mr. La Follette] and later on my own objection, because the technical committee which is engaged in examining the matters involved has not as yet completed its work. It has done so insofar as the pending bill is concerned. I think, in the interest of safety, we should have action immediately taken on the bill now before the Senate. That does not mean we are not going to consider further measures of safety, but the pending bill, if enacted, will fill a gap and will assuredly provide greater safety at sea.

Mr. GIBSON. I had intended to offer some amendments, but not expecting the bill would come up today I am not prepared to do so now.

Mr. COPELAND. Very well. I suggest that we complete the committee amendments.

The PRESIDENT pro tempore. All committee amendments

have been disposed of.

Mr. COPELAND. I have no objection to the bill going over so the Senator from Vermont may offer his amendments. I ask that the bill be reprinted as amended today so the Senate may have a clearer understanding of it when the Senator from Vermont presents his amendments.

The PRESIDENT pro tempore. The bill will be passed

## BILLS PASSED OVER

The bill (S. 2003) to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States: to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea", was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

Mr. COPELAND. Mr. President, I desire to say once more regarding Senate bill 2003 that I am going to ask to have it go over because the Senator from Wisconsin [Mr. LA FOLLETTE] desires to have some further time to consider it.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3646) to repeal an act of March 3, 1933, entitled "An act to provide for the transfer of powder and other explosive materials from deteriorated and unservicable ammunition under the control of the War Department to the Department of Agriculture for use in land clearing, drainage, road building, and other agricultural purposes", was announced as next in order.

Mr. FRAZIER. Mr. President, the senior Senator from Wisconsin [Mr. La Follette] asked me to object to this bill. He desires to have more time to look into it.

The PRESIDENT pro tempore. The bill will be passed

The bill (S. 3154) making it unlawful for any person engaged in commerce to discriminate in price or terms of sale between purchasers of commodities of like grade and quality, to prohibit the payment of brokerage or commission under certain conditions, to suppress pseudo-advertising allowances, to provide a presumptive measure of damages in certain cases, and to protect the independent merchant, the public whom he serves, and the manufacturer from whom he buys, from exploitation by unfair competitors was announced as next in order.

Mr. ROBINSON. Mr. President, that bill cannot be disposed of under this order. It will require considerable time for its consideration.

The PRESIDENT pro tempore. The bill will be passed

#### STANISLAUS LIPOWICZ

The bill (H. R. 762) for the relief of Stanislaus Lipowicz was considered, ordered to a third reading, read the third time, and passed.

H. D. HENION, HARRY WOLFE, AND R. W. M'SORLEY

The Senate proceeded to consider the bill (H. R. 3184) for the relief of H. D. Henion, Harry Wolfe, and R. W. McSorley.

Mr. KING. Mr. President, I call the attention of the committee to the report of the Forest Supervisor, which, if accurate, would scarcely warrant the appropriation which is called for.

Mr. BONE. Mr. President, may I make a statement regarding the bill?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Utah yield to the Senator from Washington?

Mr. KING. Yes; I shall be glad to yield for that purpose. Mr. BONE. The persons who are named as beneficiaries of the bill are three young men who were injured in an explosion caused by blasting operations on a road in Rainier National Forest in the State of Washington.

In the Seventy-second Congress a bill was introduced. with the assent and approbation of the Department of Agriculture, which carried nearly \$8,000 for these boys. One of them had a foot very badly injured. It will be observed that the bill provides only \$100 for one claimant and \$100 for another. The car in which they were riding was damaged, and they were badly banged up. One of the boys had a seriously injured ankle; and it was deemed desirable. as the report indicates, that the injured man be given the benefits that would naturally accrue to him under the Employees' Compensation Act.

The injury was not the fault of the boys. The Department admits its negligence. It would seem to be almost gross negligence. The claim apparently has been reduced from somewhere around \$8,000 to \$2,500. The Department has approved it. The bill has passed the House; and it would seem that the amount provided is not excessive compensation for a young fellow whose ankle probably is liable to give him trouble all the rest of his life.

Mr. KING. My attention was attracted to the report of the forest supervisor, who states that he interviewed the occupants of the car following the accident, that they were examined by local physicians, and that they apparently had sustained only minor cuts and bruises, the most severe being a sprained ankle suffered by Mr. Henion.

From the statement made by the forest supervisor I felt justified in calling the attention of the Senate to the matter; but, in view of the statement of the Senator from Washington, I withdraw any objection.

Mr. BONE. So that the Senator's mind may be easy, I merely call his attention to the statement by Mr. Dunlap, Acting Secretary of Agriculture, where he refers to the more serious character of the injury which afterward developed.

Mr. KING. Very well. The bill was ordered to a third reading, read the third time, and passed.

# MR. AND MRS. A. S. MULL

The Senate proceeded to consider the bill (H. R. 8069) for the relief of Mr. and Mrs. A. S. Mull, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "sum of", to strike out "\$5,000" and insert "\$4,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$4,000 to Mr. and Mrs. A. S. Mull in full compensation for personal injuries sustained by them as the result of an accident involving a Government truck, operated in connection with the Civilian Conservation Corps, near Ringgold, Ga., on February 22, 1934: Provided,

That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

#### LEON FREDERICK RUGGLES

The Senate proceeded to consider the bill (H. R. 6297) for the relief of Leon Frederick Ruggles, which had been reported from the Committee on Claims with an amendment at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leon Frederick Ruggles the sum of \$563.47 in full settlement of all claims against the Government for medical and hospital expenses incurred by him as a result of an emergency operation: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

## WILLIAM H. CLINTON

The bill (H. R. 3604) to place William H. Clinton on the retired list of the Navy was announced as next in order. Mr. KING. Mr. President, I notice that the Department opposes this measure.

Mr. WALSH. Mr. President, the bill seems to be in charge of the Senator from Pennsylvania (Mr. Davis). I call the attention of the Senator from Pennsylvania to it at the request of the Senator from Utah. Personally I am not familiar with the bill.

Mr. ROBINSON. Mr. President, I ask that the bill go over, in view of the adverse report by the Department of the Navy, which appears on page 4 of the committee report in the following language:

In view of the above, the Navy Department recommends against the enactment of the bill H. R. 1845.

Mr. WALSH. I regret that I am not informed about the bill and that it will have to go over until I can inform myself about it.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

## BILL PASSED OVER

The bill (S. 2883) to provide for the further development of vocational education in the several States and Territories was announced as next in order.

Mr. GEORGE. Mr. President, this bill cannot be disposed of under the present order. I have conferred with the majority leader regarding the bill, and it is desirable to have it go over until a future date. I should like to have the bill go over without prejudice, because it is an important measure, and I expect to bring it up at a later date during the session.

The PRESIDING OFFICER. The bill will be passed over.

SALE OF GOODS IN THE DISTRICT OF COLUMBIA

The bill (S. 3450) to regulate the sales of goods in the District of Columbia was announced as next in order.

Mr. FRAZIER. Let that go over.

Mr. KING. Mr. President, will the Senator from North Dakota withhold his objection for a moment?

Mr. FRAZIER. I withhold the objection.

Mr. KING. I have no interest in the bill, but the District Commissioners and the businessmen of the District of Columbia are very much in favor of it. It is in harmony with the sales bills in 42 States of the Union. The residents of Maryland and the residents of Virginia particularly are interested in the bill because they have commercial relations with the District; they have the Uniform Sales Act; we do not have it in the District of Columbia, and there is a great deal of confusion. It is a bill that the people desire to have enacted, and I sincerely hope it may be approved by the Senate.

Mr. FRAZIER. I should like to have time to look into the bill a little further. I ask that it go over.

Mr. KING. Let it be noted that the Senator from North Dakota objects.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

#### JOSEPH MAIER

The bill (H. R. 605) for the relief of Joseph Maier was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Joseph Maier, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000, in full settlement of all claims against the United States for judgment rendered in the Common Pleas Court of Franklin County, Ohio, against the Postal Telegraph Co., a corporation under Government control, for injuries received December 22, 1918, at Columbus, Ohio: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

# RELIEF OF OFFICERS AND SOLDIERS WHO SERVED IN PHILIPPINE ISLANDS

The bill (S. 3545) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, was announced as next in order.

Mr. ROBINSON. Mr. President, I observe that the author of the bill, the Senator from Kansas [Mr. Capper], is present. Opportunity has not been afforded Senators to become familiar with the bill, and I ask that the Senator make an explanation of it.

Mr. CAPPER. Mr. President, the bill was thoroughly considered by the Committee on Claims, and the report was prepared by the Senator from Kentucky [Mr. Logan]. I will ask the Senator from Kentucky to make a statement as to the purpose of the bill.

Mr. LOGAN. Mr. President, this bill was considered by the Senate Committee on Claims, and the statement of the bill is made in Report No. 1560.

The House of Representatives passed a similar bill without amendment. The Senate Committee on Claims reported Senate bill 3545 with an amendment. This morning the Committee on Claims, through its clerk, as the clerk had a right to do, reported the bill which passed the House with the same amendment which had been added to the Senate bill. I understand the House bill is on the desk at this time. So if that bill should be substituted for the Senate bill, it would be the same as the Senate bill, and would be different from the bill as it passed the House. I do not know whether or not the author of the bill is satisfied with the bill as reported by the Senate committee, but the House bill and the Senate bill as they appear on the desk at this time are alike, and both contain an amendment not satisfactory to many of those who desire to have the legislation enacted.

Mr. ROBINSON. Mr. President, I should like to have an analysis of the bill, an explanation of what the bill would accomplish, the changes which it would make in the law.

Mr. LOGAN. Mr. President, I have been trying for the last 2 or 3 years to analyze the bill and just what it would do, and I cannot do it. I can call the attention of the Senator to the fact that there were certain members of the military service in the Philippines during the Spanish-American War and soon thereafter who remained in the Philippines and later came home. Some of them, perhaps, were in jail, some of them were in hospitals, but for one reason or another they could not come home, as I understand, and they are entitled to travel pay. Other men, who voluntarily retired from the military service and remained in the Philippines, and perhaps are still there, are not entitled to the travel pay, it seemed to the Committee

We placed an amendment on the Senate bill attempting to exclude all of those who voluntarily retired from the Army, and we attempted to restrict it to those who were unable, because of some particular reason, to take advantage at that time of the law which allowed them travel pay. did not think it should apply to others than that particular unfortunate class. We tried to do that, and I think we have accomplished the purpose; but the House passed a bill in the same form in which it was passed by the last Congress, when it was vetoed by the President. A similar measure was passed through both Houses at the last session, and, as I recall, it was vetoed by the President.

These are the reasons why I do not know as much about the bill as perhaps I should. I myself have had to ask someone else about it. The amendment has been included at the request and on the suggestion of the War Department itself.

Mr. ROBINSON. Mr. President, what is the total amount that would be required to meet the obligations under the

Mr. LOGAN. Let me say to the Senator that I do not think anyone knows. The amount would not be very great under the bill as amended. It was estimated that it would be a rather large sum under the bill as it passed at the last session, but I do not recall the amount.

Mr. ROBINSON. Is the bill amended to conform with the veto message?

Mr. LOGAN. As I recall, the veto message simply relied on the statement of the War Department that the bill threw the doors open to many who were not entitled to the relief. When we took the matter up with the War Department, while they did not approve the proposed legislation, they did suggest that if the legislation should be passed a certain amendment ought to be added, and we added the amend-

Mr. ROBINSON. The amendment eliminates relief to those who were not deemed to be deserving?

Mr. LOGAN. Yes; it eliminates nearly all of them, and that is the reason why they are not satisfied.

The PRESIDING OFFICER. Does the Senator from Kansas desire that House bill 9472 be substituted for the Senate bill?

Mr. CAPPER. I make that request.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 9472) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, which had been reported from the Committee on Claims with an amendment, on page 2, line 5, after the numerals "1899", to add a colon and the following proviso: "Provided, That no benefit shall accrue under any provision of this act to any person whose claim is based upon the service of any such officer or soldier discharged in the Philippine Islands at his own request", so as to make the bill read:

Be it enacted, etc., That all officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain who were held to service in the Philippine Islands for service in the Philippine Insurrection after April 11, 1899, and after the conclusion of peace with the kingdom of Spain, shall be entitled to the travel pay and allowance for subsistence provided in sections 1289 and 1290, Revised Statutes, as then amended and in effect, as though discharged April 11, 1899, by reason of

expiration of enlistment, and appointed or reenlisted April 12, 1899, without deduction of travel pay and subsistence paid such officers or soldiers on final muster out subsequent to April 11, 1899: Provided, That no benefit shall accrue under any provision of this act to any person whose claim is based upon the service of any such officer or soldier discharged in the Philippine Islands at his

such officer or soldier discharged in the Philippine Islands at his own request.

SEC. 2. Claims hereunder shall be settled in the General Accounting Office and shall be payable to the officer or soldier, or if the person who rendered the service is dead, then to his widow, children in equal shares (but not to their issue), father, or mother as provided by existing acts relating to the settlement of accounts of deceased officers and soldiers of the Army (34 Stat. 750), but if there is no widow, child, father, or mother at the date of settlement, then no payment on account of the claim shall be made.

SEC. 3. The Comptroller General is authorized and directed to certify to the Congress, pursuant to the provisions of section 2 of the act of July 7, 1884 (U. S. C., title 5, sec. 266), all claims allowed hereunder.

allowed hereunder

SEC. 4. Applications for the benefits of this act shall be filed

within 3 years after the date of its passage.

SEC. 5. Payment to any attorney or agent for such assistance as may be required in the preparation and execution of the necessary papers in any application under this act shall not exceed the sum of \$10: Provided. That this limitation shall not apply to attorneys employed by claimants entitled to the benefits of this act who were active in the prosecution of their claim before Congress, to whom a fee of not to exceed 10 percent of the amount found to be due may be allowed. Any person collecting or attempting to collect a greater amount than is herein allowed shall be deemed guilty of a misdemeanor and shall be punishable by a fine of not more than \$500 or by imprisonment for not more than 2 years, or by both such fine and imprisonment.

Mr. KING. Mr. President, I should like to ask the Senator from Kentucky whether, if the amendment to which he has just referred should be adopted, the bill would then meet with the approval of the War Department and meet the objections which were set forth in the President's veto message.

Mr. LOGAN. That is as I understand it. The War Department recommended against the bill, but, upon inquiry, we ascertained that if the bill should be passed, the War Department wanted it amended in the particular I have indicated, and we added the amendment which was suggested by the War Department. I do not think anyone can know very much about the bill, nearly 40 years after the time to which it relates, but we do know as a matter of fact that there were men entitled to the travel pay sought who never received it. There can be no question about that. They were left in the Philippines, and perhaps were unable to take advantage of the law at that time. Some of them were in hospitals, perhaps some of them were in confinement growing out of infractions of the military law, some of them were sick, and perhaps such men ought to be entitled to the travel pay. The man who got out of the Army and remained in the Philippines voluntarily, who for his own convenience did not come back, and was not deprived of his travel pay by reason of anything over which he did not have control, we do not think is entitled to the travel pay. We tried to limit application of the bill, and I think it is

Mr. KING. Mr. President, will the Senator yield? Mr. LOGAN. I yield.

Mr. KING. Is there any way by which to determine the meritorious from the unmeritorious cases? In other words, is there any machinery proposed to be set up for weeding out those not entitled to the travel pay and the compensation referred to?

Mr. LOGAN. I think so. My recollection is that they must file their applications with the General Accounting Office, and the General Accounting Office then will audit the claims and ascertain whether the claims are valid. This measure does not provide an appropriation to pay the beneficiaries so much money, but it authorizes them to file their claims with the General Accounting Office.

Mr. KING. Will the Senator be willing, if the bill shall be passed, to have it held on the table for a day or two until some of us can inquire of the War Department whether there are any objections or whether the amendment meets all of the objections of the President and of the War Department?

Mr. LOGAN. That would be a question for the Senator from Kansas to answer; but, personally, I should be very glad if someone else would look over the measure carefully,

because I have been studying it for the past 2 or 3 years, and | the more I look into it the more confused I become.

Mr. KING. Mr. President, will the Senator from Kansas

be willing, if the bill shall be passed now, to hold it on the table subject to a motion to reconsider, so that we may have an opportunity to inquire of the War Department as to whether or not the bill as amended meets the objections raised in the President's veto and accords with the wishes of the War Department? If the Senator will agree to that, I shall have no objection at all to the bill being passed.

Mr. CAPPER. Mr. President, the bill is one of merit, and I want to see it passed; and I shall not offer any objection to the suggestion of the Senator from Utah.

Mr. KING. I will not offer any objection, then, with that understanding

Mr. McNARY. Mr. President, I do not understand the nature of the transaction between the two Senators.

Mr. KING. Mr. President, in order to accomplish what I have suggested, I shall merely offer a motion to reconsider, and I can have the motion withdrawn when the information arrives.

Mr. McNARY. I thought the Senator was relying on a sort of a verbal understanding.

Mr. KING. No; I intended to offer a motion to reconsider. I did not want the Senator from Kansas to think I was opposing the measure. I merely want information from the War Department.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3545 is indefinitely postponed.

Is it the desire of the Senator from Utah to enter a motion to reconsider the vote by which House bill 9472 was passed?

Mr. KING. Mr. President, I enter a motion to reconsider the vote by which the bill was ordered to a third reading and

## APPOINTMENT OF COUNSEL IN CRIMINAL CASES

The bill (S. 3781) limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases was announced as next in order.

Mr. McNARY. Mr. President, a mere reading of the note on the calendar would not indicate the general purpose of the proposed legislation. I should like to have an explanation.

Mr. BAILEY. Mr. President, this bill relates directly to a former Assistant Attorney General who recently resigned. It happened that when he resigned there had been assigned to him one case in the Supreme Court of the United States, and perhaps two or three smaller cases. He is now out of the public service. The bill would simply exempt him from the operation of the criminal statute in order that he might go on with his regular practice. The bill was sent to the Senate with the approval of the Department of Justice, and it has been thoroughly reviewed and investigated by the Committee on the Judiciary. I hope there will be no objection.

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That nothing in sections 109 and 113 of the act entitled "An act to codify, revise, and amend the penal laws of the United States", approved March 4, 1909, as amended, or in section 190 of the Revised Statutes of the United States, or in any other act of Congress forbidding officers or employees or former officers or employees of the United States from acting as counsel, attorney, or agent for another before any court, department, or branch of the Government, or from receiving or agreeing to receive compensation therefor, shall be deemed to apply to attorneys or compensation therefor, shall be deemed to apply to attorneys or counselors who have been or may be specially employed, retained, or appointed by the Attorney General or under authority of the Department of Justice to assist in the prosecution of the case pending in the Supreme Court of the United States entitled "The Sugar Institute, Inc., and others, appellants, against the United States of America" (docket no. 268, October term, 1935), or the investigation and prosecution of any case pending either in the Federal or State courts, in the western district of North Carolina, involving lands owned or claimed by the Eastern Band of Cherokee

Indians, or by the United States in their behalf, or other public lands owned or involved in litigation in such western district of North Carolina.

#### GOVERNMENT FOR AMERICAN SAMOA

The bill (S. 3113) to provide a government for American Samoa was announced as next in order.

Mr. COPELAND. Mr. President, this is a very pretentious bill, which was not called to my attention until this morning, and I am anxious to read it so that I may see what it means.

Mr. TYDINGS. Mr. President, will the Senator withhold his objection?

Mr. COPELAND. I yield. Mr. TYDINGS. This is not a very extensive bill. The Senate has passed identical measures on three occasions. All it proposes to do is to give to the small population which makes up American Samoa the right of local self-government, namely, to try their own petty offenders.

All offenders now are tried before the naval Governor in American Samoa. Prior to the occupation of the island by the United States, the tribes, of which there are three main ones, used to try their own petty offenders. This bill will give the 12,000 persons who live in American Samoa the right to regulate their own tribal matters.

The bill comes before the Senate as the result of the investigation of the Commission which went out to the islands, of which the Democratic leader, the Senator from Arkansas [Mr. Robinson], was a member and other Senators and Representatives were members. This measure of local self-government has been promised to the people of American Samoa for a number of years. Similar bills have already passed the Senate three times. If this bill shall now pass the Senate, it will be the fourth time.

The bill has the unanimous backing of the Committee on Territories and Insular Affairs. Every angle of the question that I know of has been examined. The bill was originally prepared while former Senator Bingham was chairman of the committee, and passed while he was still a Senator.

In view of that statement, I hope the Senator from New York will not make further objection.

Mr. COPELAND. Mr. President, there may be some who remember that I spoke for days against the alienation of sovereignty over the Philippines. In connection with my studies preparatory to that presentation here, I became very much interested in the method of acquisition of American Samoa. I have a number of doubts in my mind about it. I am exceedingly sorry to be disagreeable, but I desire to review the notes I made at the time before I am willing to have the bill considered.

I have no doubt the bill is meritorious. I have no doubt the bill is properly and comprehensively prepared, provided it be applied to our own territory. I should dislike to build a splendid house, a great palace, on land which did not belong to me. I do not know that I shall take that view when the time comes to consider the measure; but I say to the Senator that I must now object. I am sorry to have to do so.

Mr. TYDINGS. Mr. President, I think the Senator is misinformed about the bill now pending before the Senate. This is a bill to provide a government for American Samoa. It is not a bill relating to the Philippines.

Mr. COPELAND. I am not talking about the Philippines. I am talking about Samoa. I thought this bill referred to Samoa. Does it not?

Mr. TYDINGS. Yes.

Mr. COPELAND. Very well. To repeat what I said, in preparing myself for discussion of the Philippine procedure I had occasion to study the question of Samoa, which I understand is dealt with in this bill; and it is to Samoa that I am addressing my remarks on the subject.

I ask that the bill go over.

Mr. TYDINGS. I have no objection to the bill going over, but I am anxious that the RECORD shall carry the facts.

No question at all of sovereignty is involved in the bill. As the matter now stands, the inhabitants of American Samoa have no voice in the government which they make up. There are about 12,000 of them in the islands. Matters pertaining to discipline are in the hands of the naval Governor. All petty infractions are tried before the naval Governor. All the bill seeks to do is to give to the people who compose American Samoa the right to have control over their own intertribal matters.

Whether or not the bill becomes law is a matter of no concern to me, except that for 5 years, through representatives sent out there, we have promised to the people of the islands its enactment. I am a little sorry that the Senator from New York desires further to deny those people the right of local self-government. It will be the only place beneath the American flag where that right has been denied

Mr. COPELAND. Mr. President, one final word. I am not sure that these islands have a right to be under the American flag, and I wish to be sure that we are not building a government on islands to which we have no title. I may fully agree with the Senator from Maryland when I shall have reviewed the rather fragmentary recollections I have of the very serious study I made of the subject a long time ago. I think I never devoted myself more thoroughly to any subject in which I had a part in the Senate.

I am not asking that the 12,000 persons in American Samoa be deprived of government. I assume they have some kind of government or they would not stay there. But in due time, if the Senator will bear with me, I shall look into the matter, and it may well be that the next time the bill comes up I shall say, "All right; proceed with the matter so far as I am concerned."

For the moment, however, I desire further information. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

JOINT RESOLUTION AND BILLS PASSED OVER

The resolution (S. J. Res. 205) providing for disposition of certain cotton held by the United States was announced as next in order.

Mr. McNARY. On behalf of the Senator from South Carolina [Mr. Smith], I ask that the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 3627) for the relief of Francis Gerrity was announced as next in order.

Mr. KING. Mr. President, the Department opposes this measure. The Senator from Washington [Mr. Schwellenbach] is not present, and by reason of that fact I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 2243) relating to the allocation of radio facilities was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

BRIDGE ACROSS POQUETANUCK COVE, CONN.

The bill (H. R. 10316) to legalize a bridge across Poquetanuck Cove at or near Ledyard, Conn., was considered, ordered to a third reading, read the third time, and passed.

BRIDGE ACROSS SECOND CREEK, LAUDERDALE COUNTY, ALA.

The bill (H. R. 10465) to legalize a bridge across Second Creek, Lauderdale County, Ala., was considered, ordered to a third reading, read the third time, and passed.

OHIO RIVER BRIDGE, BETWEEN ROCKPORT, IND., AND OWENSBORO, KY.

The bill (H. R. 11045) to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky., was considered, ordered to a third reading, read the third time, and passed.

# PRELIMINARY EXAMINATION OF REPUBLICAN RIVER AND OTHER RIVERS

The bill (H. R. 8030) to authorize a preliminary examination of Republican River, Smoky Hill River, and minor tributaries of Kansas River, in the State of Kansas, with a view to the control of their floods was announced as next in order.

Mr. McKELLAR. Mr. President, I should like to have some information concerning this bill.

Mr. NORRIS. Mr. President, I wish to offer an amendment to the bill.

Mr. McKELLAR. Will the Senator be good enough to tell me where the Republican River is?

Mr. NORRIS. Yes. When I am at home I live on the banks of the Republican River.

Mr. KING. Change the name.

Mr. McKELLAR. Did the Senator name it?

Mr. NORRIS. The Republican River? No; it was named long before I went there.

Mr. President, this bill includes three rivers. Two of them are in Kansas. The Republican River is partially in Kansas, partially in Colorado, but chiefly in Nebraska. The bill, if enacted as it now stands, would prohibit any survey on the Republican River in any State besides Kansas, which would not be beneficial even to Kansas, because the mouth of the river is in Kansas. If we are to control the floods, of course we must provide for a survey in Nebraska and in Colorado.

Mr. McKELLAR. I have no objection either to the Senator's amendment or to the bill.

Mr. NORRIS. Mr. President, I have taken up this amendment with the various Senators interested, as well as with the author of the bill, Representative Carlson, of Kansas, and they all agree to it and all see the necessity of it, even from the standpoint of Kansas.

On page 1, line 6, I move to strike out the words "in the State of Kansas."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill to authorize a preliminary examination of Republican River, Smoky Hill River, and minor tributaries of Kansas River, with a view to the control of their floods."

Mr. NORRIS. There is another bill on the calendar, Senate bill 4025, Calendar No. 1723, having the same purpose in view, and also favorably reported from the Committee on Commerce. I do not wish to have it indefinitely postponed, because I desire first to see whether the House will agree to the Senate amendment. Therefore I ask that Senate bill 4025, being Calendar No. 1723, be passed over.

The PRESIDING OFFICER. The bill will be passed over.

COAST GUARD STATION, APOSTLE ISLANDS, WIS.

The bill (H. R. 8901) to provide for the establishment of a Coast Guard station at or near Apostle Islands, Wis., was considered, ordered to a third reading, read the third time, and passed.

# CONSTRUCTION AND COMPLETION OF CERTAIN BRIDGES

The Senate proceeded to consider the bill (S. 3868) to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes", approved August 30, 1935, which had been reported from the Committee on Commerce with amendments, at the end of sections 1, 2, and 3, to strike out the words "its successors and assigns", so as to make the bill read:

Be it enacted, etc., That subsection (a) of section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes", approved August 30, 1935, is amended by striking out "the Village Board of the Village of Niobrara, county of Knox, State of Nebraska" and inserting in lieu thereof the following: "the county of Knox, State of Nebraska."

SEC. 2. Subsection (b) of such section 32 is amended by striking out "the Village Board of the Village of Niobrara, county of Knox, State of Nebraska" and inserting in lieu thereof the following: "the county of Knox, State of Nebraska."

SEC. 3. (a) Subsection (c) of such section 32 is amended by striking out "The said Village Board of the Village of Niobrara, county of Knox, State of Nebraska" and inserting in lieu thereof the following: "The said county of Knox, State of Nebraska."

(b) Subsection (c) of such section 32 is further amended by striking out "to fix the charge tolls for transit" and inserting in lieu thereof the following: "to fix and charge tolls for transit."

SEC. 4. Subsection (d) of such section 32 is amended by striking out "After a sinking fund sufficient for amortization shall have been so provided, said bridge" and inserting in lieu thereof the following: "After a sinking fund sufficient for such amortization shall have been so provided, said bridge."

SEC. 5. The right to alter amend or reneal this act is hereby

5. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MONONGAHELA, ALLEGHENY, AND YOUGHIOGHENY RIVER BRIDGES, PENNSYLVANIA

The bill (H. R. 10262) to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa., was considered, ordered to a third reading, read the third time, and passed.

WAR DEPARTMENT EQUIPMENT FOR AMERICAN LEGION CONVENTION

The bill (S. 3997) to authorize the Secretary of War to lend War Department equipment for use at the Eighteenth National Convention of the American Legion at Cleveland, Ohio, during the month of September 1936, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is authorized to lend, at his discretion, to the American Legion 1936 Convention Corporation, for use at the Eighteenth National Convention of the American Legion to be held at Cleveland, Ohio, in the month of September 1936, such tents, cots, and blankets, and other available stock out of the Army and National Guard supplies as such corporation may require to house properly Legionnaires attending such convention: Provided, That no expense shall be caused the United States Government by the delivery and return of such property, the same to be delivered at such time prior to the holding of such convention as may be agreed upon by the Secretary of War and the American Legion 1936 Convention Corporation: Provided further, That the Secretary of War, before delivering such property, shall take from such corporation a good and sufficient bond for the safe return of such property in good order and condition, and the whole without expense to the United States.

RESERVE OFFICERS' CORPS AND ENLISTED RESERVE CORPS

The bill (S. 4026) to amend the National Defense Act of June 3, 1916, as amended, was announced as next in order.

Mr. McKELLAR. Mr. President, will the Senator from Texas explain the bill?

Mr. SHEPPARD. Mr. President, under present law a Reserve officer or any person in the Enlisted Reserve Corps disabled by reason of wounds or disability received while on active duty for training purposes has no remedy. The War Department cannot give him continuing financial assistance, and the Veterans' Administration can give him no assistance; while, on the other hand, if a Reserve officer or any person in the Enlisted Reserve Corps is disabled while on active duty for any other purpose he is entitled under present law to Thus the purpose of Senate bill 4026 is to strike from present law-Forty-eighth Statutes, page 161-the words "except for training", so as to make eligible for veterans' relief those Reserve members disabled while on active duty for training purposes.

Mr. McKELLAR. How many officers come within the pur-

view of the bill?

Mr. SHEPPARD. All Reserve officers who take the 14-day training period each year. The War Department estimates the cost of this legislation will not exceed \$2,210 for the first complete year of its operation. Each succeeding year the cost will be increased by less than this amount owing to deaths on the pension list until the total removals from the list equal the total number placed on the list under this measure.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 112 of the National Defense Act, as amended by the act of June 15, 1933 (48 Stat. 161), be, and the same is hereby, amended by striking out the phrase "except for training.

PURPLE HEART DECORATION TO MAJ. CHARLES H. SPRAGUE

The Senate proceeded to consider the bill (S. 3821) granting the Purple Heart decoration to Maj. Charles H. Sprague, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert.

That the Secretary of War is hereby authorized to cause the recommendation for the award of the Purple Heart Medal to Maj. Charles H. Sprague, formerly captain, Medical Reserves, One Hundred and Third Ambulance Company, Twenty-sixth Division, to be considered by the proper boards or authorities and such award to be made to Major Sprague if it is found by such boards or authorities that he was wounded in combat with an enemy of the United States during the World War.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the award of the Purple Heart decoration to Maj. Charles H. Sprague."

#### FELIX GRIEGO

The bill (S. 3537) for the relief of Felix Griego was announced as next in order.

Mr. KING. Mr. President, I have read the report and I notice that the bill is strongly objected to by the War Department. In view of the fact that a number of measures which the Senate has recently passed restoring discharged soldiers to the pensionable list have been vetoed by the President, it occurs to me that, for the present, at least, this measure, as well as the two or three succeeding, should be further considered. I ask that the bill go over.

Mr. BACHMAN. Mr. President, I may say to the Senator from Utah that this bill was recommended at the last session, but, due to the near approach of final adjournment, it did not have an opportunity of coming before the committee. It is in the view of the committee a very meritorious case.

The expulsion of the beneficiary of the bill from the Army was due to a conviction which was later set aside by the supreme court, and later, as I recall, he was found not guilty of the charges for which he was discharged from the Army. It is a most meritorious case, and, I trust, the Senator will not object. He will find the facts set forth in the report.

Mr. KING. I note from the report that the War Department says the soldier was drunk and brought the Army into disrepute and discredit, and he was discharged from the Army.

Mr. BACHMAN. I presume there are thousands of soldiers who have done that.

Mr. KING. I hope not.

Mr. BACHMAN. But, I repeat, this really is a meritorious case, because the man was not guilty of the offense for which he was discharged, and it was so found by the supreme

Mr. KING. Does the Senator take the view that the War Department, in holding that he was drunk and had brought discredit upon the Army, acted improperly?

Mr. BACHMAN. No, sir; not at all. But that was not the basis of his expulsion from the service.

Mr. KING. That is what is shown by the report.

Mr. HATCH. Mr. President, will the Senator yield to me for a moment?

Mr. KING. I yield.

Mr. HATCH. I am more or less familiar with this particular bill, having been its author and having given a good deal of consideration to it at the present and at the last

What the Senator from Tennessee [Mr. Bachman] has said is exactly correct. The man was not discharged from the Army on account of drunkenness at all; that was not involved in the notation that was made on his Army record; but he was convicted of an offense, and because of that conviction he was discharged. Then he appealed to the supreme court of the State, and the conviction was set aside. The case was later returned to the lower court, but he was never tried again, and after it was returned to the lower court the whole case was dismissed.

was introduced for his relief?

Mr. HATCH. It was subsequent to that, and was introduced because his conviction had been set aside.

Mr. McKELLAR. It seems to me the claimant should have the relief.

Mr. BACHMAN. If I may interrupt further, I should like to say to the Senator from Utah that the basis of his discharge from the Army was his conviction of an offense which the supreme court subsequently set aside.

Mr. KING. Very well, I withdraw my objection to the hill

The PRESIDING OFFICER (Mr. Pope in the chair). Is there objection to the consideration of the bill?

There being no objection, the bill (S. 3537) for the relief of Felix Griego was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers or their dependents Felix Griego, who was a private in the Medical Department, shall hereafter be held and considered to have Medical Department, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of the Medical Department on the 11th day of April 1919: Provided, That no back pay, compensation, benefit, or allowance shall be held to have accrued prior to the passage of

#### DANIEL YATES

The bill (S. 3128) for the relief of Daniel Yates was announced as next in order.

Mr. KING. Mr. President, the War Department in its report on this bill uses the word "strongly"-it strongly objects to this bill. Let it go over.

Mr. LOGAN. Mr. President, will the Senator withhold his objection for a moment?

Mr. KING. Certainly.

Mr. LOGAN. What the Senator says about the statement of the War Department is true. The War Department, however, makes mistakes; otherwise we would not have these bills here occasionally. Here are the undisputed facts relating to this particular man:

He was charged with desertion in 1889, perhaps, at any rate, a long time ago. He wandered away; of course, he was finally declared to be a deserter and his name was entered on the record as such; but there are three witnesses who testify that they saw this man, one of them the next day, after he left his command; that he was then insane; two others saw him the following day, 2 days after his alleged desertion; they said he was insane, and was just wandering around the country. He has been insane ever since. It seems to me in a case where a man left his command while insane, and has been insane, according to the evidence, ever since, that relief should be accorded.

The War Department did not know that; he was discharged from the Army without it being known. The poor fellow has been denied hospitalization; he has been denied any benefits because he went crazy and wandered away; but he was fortunate enough, or some of his friends were, to prove that he was seen by three witnesses within 2 days after he left and that he was insane. Those are the facts

Mr. KING. The letter from the War Department is of quite recent date, as I recall, long subsequent to the date of the alleged mental defect.

Mr. LOGAN. Certainly.

Mr. KING. And the Department would have learned of it in the meantime.

Mr. LOGAN. They could not learn of it. How could they know, as they never saw the man again? He went away; he was never brought back; and they could know nothing from the records about his mental condition. They just could not do it; it was not their function to find out about it. The War Department in every case has a stock phrase or stereotype phrase to the effect that the passage of this bill or that bill would be discrimination, and all that. I do not want to criticize the War Department; it is a rather good thing to have, but, at the same time, we would get much more help if they gave us the facts and made some recommendations to the committee rather than relying on stereo-

Mr. McKELLAR. And it was after that that this bill type phrases in practically all cases like this; they are just against it because it does not fit in.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. I withdraw my objection.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, sailors, marines, and their widows and dependent relatives, Daniel Yates, formerly private, Battery D, First Regiment Artillery, United States Army, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private cn June 24, 1899: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

#### BILL PASSED OVER

The bill (H. R. 3340) for the relief of Jesse S. Post was announced as next in order.

Mr. McKELLAR. Mr. President, I should like to have an explanation of that bill. As the Senator who reported it

does not appear to be present, I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

#### MICHAEL P. LUCAS

The bill (H. R. 2469) for the relief of Michael P. Lucas was considered, ordered to a third reading, read the third time, and passed.

## DEFINITION OF "FLYING OFFICER" IN THE AIR CORPS

The bill (S. 3974) to amend the act entitled "An act to provide more effectively for the national defense by increasing the efficiency of the Air Corps of the Army of the United States, and for other purposes", approved July 2, 1926, was announced as next in order.

Mr. McKELLAR. Mr. President, this seems to be an important bill, and I should like to have the Senator from Texas explain it.

Mr. SHEPPARD. Mr. President, the purpose of this bill is to clarify the present definition of a "flying officer" in the Army Air Corps. The bill is recommended by the War Department. It is proposed to strike out the words which define a flying officer in the act of July 2, 1926 (44 Stat. L. 781), and substitute therefor a new and more consistent definition which meets present developments and organization in the Air Service. By a ruling of the Comptroller General, the conception of a "flying officer" as used in the 1926 act has been restricted to a "pilot" alone. The development of the modern airplane has produced other functions of great importance which sound military judgment says must be performed.

Mr. McKELLAR. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Tennessee?

Mr. SHEPPARD. I yield. Mr. McKELLAR. Would that mean anyone who goes up in an airplane would be designated as a "flying officer"?

Mr. SHEPPARD. No, indeed. Mr. McKELLAR. The Senator remembers there was quite a controversy for some years as to whether doctors attached to the Air Corps-of course, I do not see how doctors could very well practice their profession in airplanes-should be entitled to greater pay. I am just wondering if this bill includes doctors, and what effect its passage will have, and how much it will cost.

Mr. SHEPPARD. Let me proceed with the explanation. Mr. McKELLAR. Very well.
Mr. SHEPPARD. There are aerial commanders and aerial

navigators, and while they function as such may or may not perform piloting duties simultaneously. Under these circumstances it is inconceivable that only the pilot shall be considered as the flying officer, while the commander, navigator, bomber, gunner, and communications officer, whose duties are equally essential to the accomplishment of the military mission and whose duties are performed in the air under the same hazards are considered nonflying officers.

Furthermore, present law provides that only 10 percent of the officers of the Air Corps in each grade below brigadier general may be nonflying officers, then obviously in time the 10 percent nonflying officers allowed in each grade will be exceeded. Senate bill 3974 is designed to correct these deficiencies of the present law, and it permits the efficient development of Air Corps personnel for peace or war.

If the bill is enacted, it will not increase the applicable appropriation proposed in the 1937 appropriation bill. If it is not enacted, it will reduce the proposed appropriation by approximately \$23,000. This amount represents the difference in the pay of approximately 65 officers paid at the increased rate of \$1,440 per annum for flying duty, instead of 50 percent of their base pay for flying duty. This is a very small increase and gives them the rank for which their duties call.

Mr. McKELLAR. From the Senator's explanation it seems to be a worthy measure, but I ask that it may go over to let me look into it further.

Mr. SHEPPARD. Very well.

The PRESIDING OFFICER. The bill will be passed over.

MESSAGE FROM THE HOUSE-ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 3699) to authorize the coinage of 50-cent pieces in commemoration of the fiftieth anniversary of Cincinnati, Ohio, as a center of music, and its contribution to the art of music for the past 50 years, and it was signed by the President pro tempore.

#### MUNICIPAL DEBT READJUSTMENT

The Senate proceeded to consider the bill (H. R. 6982) to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, which had been reported from the Committee on the Judiciary without amendment

Mr. NEELY. Mr. President, there is a clerical error in the bill, which should be corrected. On page 4, line 8, the number of the paragraph should be changed. I move to strike out "(b)" and insert "(d)."

The amendment was agreed to.

Mr. KING. Mr. President, I have no objection to the amendment just made, but I should like an explanation of

Mr. NEELY. I did not report the bill and am not prepared to explain it. The Senator from Indiana [Mr. Van Nuys] reported it.

Mr. KING. I suggest that it go over.

The PRESIDING OFFICER. The bill will be passed over. Mr. ROBINSON subsequently said: Mr. President, I ask unanimous consent to recur to Calendar 1672, being House bill 6982. During my temporary absence from the Chamber this bill was reached, and I am informed that it went over at the request of my friend the Senator from Utah [Mr.

Another bill in substantially the same form, introduced by myself, passed the Senate at the last session. The House for some reason acted upon a House bill and adopted an amendment which was not in the Senate bill, the amendment having relation to the percentage that must be obtained in order to avail of the proceeds.

I ask unanimous consent for the present consideration of the bill.

Mr. KING. Mr. President, I have no objection.

Mr. VANDENBERG. Mr. President, am I to understand that this means only that portion of the municipality bankruptcy law which refers to drainage districts?

Mr. ROBINSON, Yes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 6982) to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, was considered,

ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subparagraphs (a) and (d) of section 80 of chapter 9 of an act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States" approved July 1, 1898, and acts amendatory thereof and supplementary thereto be, and the same are hereby, amended to read as

"SEC. 80. Municipal debt readjustments: (a) Any municipality or other political subdivision of any State, including (but not hereby limiting the generality of the foregoing) any county, city, borough, village, parish, town, or township, unincorporated tax or special assessment district, and any school, drainage, irrigation, reclamation, levee, sewer, or paving, sanitary, port, improvement, or other districts (hereinafter referred to as a 'taxing district'), may file a petition stating that the taxing district is insolvent or unable to meet its debts as they mature, and that it desires to effect a plan of readjustment of its debts. The netition shall be filed with the court readjustment of its debts. The petition shall be filed with the court in whose territorial jurisdiction the taxing district or the major part thereof is located and for any such district having no officials of its own the petition shall be filed by the municipality or political subdivision, the officials of which have power to contract on behalf of said district or to levy the special assessments within such district. The petition shall be accompanied by payment to the clerk of a filing fee of \$100, which shall be in addition to the fees required to be collected by the clerk under other chapters of this act. The petition shall state that a plan of readjustment has been prepared, is filed and submitted with the petition, and that creditors of the taxing district owning not less than 30 percent in the case of drainage, irrigation, reclamation, and levee districts (except as hereinafter provided) and owning not less than 51 perreadjustment of its debts. The petition shall be filed with the court (except as hereinafter provided) and owning not less than 51 per-cent in the case of all other taxing districts in amount of the bonds, notes, and certificates of indebtedness of the taxing district affected by the plan, excluding bonds, notes, or certificates of indebtedness owned, held, or controlled by the taxing district in a fund or otherowned, held, or controlled by the taxing district in a fund or other-wise, have accepted it in writing. The petition shall be accom-panied with such written acceptance and with a list of all known creditors of the taxing district, together with their addresses so far as known to the taxing district, and description of their re-spective claims showing separately those who have accepted the plan of readjustment, together with their separate addresses, the contents of which list shall not constitute admissions by the taxing contents of which list shall not constitute admissions by the taxing districts in a proceeding under this chapter or otherwise. Upon the filing of such a petition the judge shall enter an order either approving it as properly filed under this chapter, if satisfied that such petition complies with this chapter and has been filed in good faith, or dismissing it, if not so satisfied. If creditors holding 5 percent in amount of the bonds, notes, or certificates of indebtedness shall, within 90 days after the first publication of the notice provided for in subdivision (c), clause (1), of this chapter, appear and controvert the facts alleged in the petition, the judge shall decide the issues presented, and unless the material allegations of the petition are sustained, shall dismiss the petition: Provided, however, That such written acceptance of not less than 30 percent of the creditors of drainage, irrigation, reclamation, and levee districts shall not be required in any case where a loan shall have been authorized to the petitioning taxing district by an agency of the United States Government for the purpose of enabling any such petitioning district to reduce and refinance its outstanding indebtedness.

"(d) The plan of readjustment shall not be confirmed until it

such petitioning district to reduce and rennance its outstanding indebtedness.

"(d) The plan of readjustment shall not be confirmed until it has been accepted in writing, filed in the proceeding, by or on behalf of creditors holding at least 51 percent in amount of the claims of each class in the case of drainage, irrigation, reclamation, and levee districts and creditors holding two-thirds in amount of the claims of each class in the case of all other taxing districts whose claims have been allowed and would be affected by the plan, and by creditors holding 51 percent in the case of drainage, irrigation, reclamation, and levee districts and creditors holding 75 percent in the case of all other taxing districts in amount of the claims of all classes of the taxing district affected by the plan, but excluding claims owned, held, or controlled by a taxing district, and such plan has been accepted and approved by the taxing district in a writing filed in the proceeding, signed in its name by an authorized authority: Provided, however, That it shall not be requisite to the confirmation of the plan that there be such acceptance by any creditor or class of creditors (a) whose claims are not affected by the plan, or (b) if the plan makes provision for the payment of their claims in cash in full, or (c) if provision is made in the plan for the protection of the interests, claims, or liens of such creditors or class of creditors."

## BILLS PASSED OVER

The bill (S. 3452) to amend an act entitled "An act authorizing the Secretary of the Interior to arrange with States or Territories for the education, medical attention, relief of distress, and social welfare of Indians, and for other purposes", was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill? If not, I ask that it go over.

The PRESIDING OFFICER. The bill will be passed

The bill (S. 3301) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the heirs of James Taylor, deceased Cherokee Indian, for the value of certain lands now held by the United States, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, I note that similar bills have twice been vetoed by the President. I suggest that the

The PRESIDING OFFICER. The bill will be passed over.

## PUBLIC SCHOOL BUILDINGS AT HAYS, MONT.

The bill (S. 3372) to provide funds for cooperation with the public school district at Hays, Mont., for construction and improvement of public school buildings to be available for Indian children, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of \$50,000 for the purpose of cooperating with priated, the sum of \$50,000 for the purpose of cooperating with the Hays Public School District, Hays, Mont., for construction and improvement of grade- and high-school buildings: Provided, That said schools shall be available to both white and Indian children without discrimination, except that tuition may be paid children without discrimination, except that tuition may be paid for Indian children attending in the discretion of the Secretary of the Interior: Provided further, That expenditures of moneys authorized hereby shall be subject to such further conditions as may be prescribed by the Secretary of the Interior: Provided further, That this appropriation shall be reimbursed in not more than 30 years without interest, either through reducing the annual Federal tuition payments for the education of Indian pupils attending such school, by the acceptance of Indian pupils in such school without cost to the United States; or in such other manner as the Secretary of the Interior may direct: And provided further, That plans and specifications shall be furnished by local or State authorities, without cost to the United States, and upon approval thereof by the Commissioner of Indian Affairs, work shall proceed under the direction of local or State officials, work shall proceed under the direction of local or State officials, payment therefor to be made monthly on the basis of work in place and upon vouchers approved by a responsible official of the Indian Service.

#### JOHN WALKER

The Senate proceeded to consider the bill (S. 3371) for the relief of John Walker, which had been reported from the Committee on Indian Affairs with an amendment, on page 1, line 6, after the word "Montana", to insert the words 'or his heirs", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Walker, of Hays, Mont., or his heirs, the sum of \$200 in full settlement of his claim against the United States for destruction of a one-room log house and equipment located on the Fort Belknap Reservation in Montana, during a diphtheria epidemic on said reservation.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BILL PASSED OVER

The bill (S. 3053) conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes, was announced as next in order.

Mr. McKELLAR. I ask that the bill go over for the day. The PRESIDING OFFICER. The bill will be passed over.

## GUSTAVA HANNA

The bill (S. 4091) for the relief of Gustava Hanna was announced as next in order.

Mr. BULKLEY. Mr. President, I ask that House bill 11425, an identical bill, which appears on the Senate calendar as Order of Business No. 1698, be substituted for the Senate bill and considered at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 11425) for the relief of Gustava Hanna was considered, ordered to a third reading, read the third time, and passed, as follows:

That the Secretary of the Treasury be, and he is hereby, author ized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Gustava Hanna, widow of Matthew E. Hanna, late American minister to Guatemala, the sum of \$10,000, equal to 1 year's salary of her deceased husband.

The PRESIDING OFFICER. Without objection, Senate bill 4091 will be indefinitely postponed.

#### CLARENCE R. KILLION

The Senate proceeded to consider the bill (H. R. 3912) to amend an act for the relief of Clarence R. Killion, which had been reported from the Committee on Military Affairs, with amendments, on page 1, line 3, after the word "numbered", to strike out the numerals "226" and insert the numerals "222"; on the same page, line 12, after the word "war" to strike out the words "veterans' act" and insert the words "adjusted compensation act", and on page 2, line 2, after the word "act" to insert the words "as amended", so as to make the bill read:

Be it enacted, etc., That Private Law No. 222, Seventy-second Congress, entitled "An act for the relief of Clarence R. Killion", be amended by eliding the period after the word "act" in the last line of the said act, substituting a colon therefor, and adding thereto the following: "And provided further, That if the veteran shall, within 12 months from the date of final passage and approval of this act, as amended, file with the Veterans' Administration an application for adjusted-service benefits under the proproval of this act, as amended, hie with the veterans Administration an application for adjusted-service benefits under the provisions of the World War Adjusted Compensation Act, as amended, then, and in that event, nothing in this act, as amended, contained shall be construed to prejudice his right to recover adjusted-service benefits thereunder if found otherwise entitled thereto."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

## MISSOURI RIVER BRIDGE, GARRISON, N. DAK.

The Senate proceeded to consider the bill (S. 3885) to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak., which had been reported from the Committee on Commerce, with an amendment, on page 1, line 6, after the word "by", to strike out the words "the acts of Congress approved February 10, 1932, and February 14, 1933, and June 12, 1934, are hereby further extended 1 and 3 years, respectively, from June 12, 1934", and to insert in lieu thereof the words "an act of Congress approved February 10, 1932, heretofore extended by acts of Congress approved February 14, 1933, June 12, 1934, and May 24, 1935, are hereby further extended 1 and 3 years, respectively, from June 12, 1936", so as to make the bill read:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Garrison, N. Dak., authorized to be built by the State of North Dakota, by an act of Congress approved February 10, 1932, heretofore extended by acts of Congress approved February 10, 1932, heretofore extended by acts of Congress approved February 14, 1933, June 12, 1934, and May 24, 1935, are hereby further extended 1 and 3 years, respectively, from June 12, 1936.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## LAKE SABINE BRIDGE, PORT ARTHUR, TEX.

The bill (H. R. 10185) to amend the act approved June 18, 1934, authorizing the city of Port Arthur, Tex., or the commission thereby created and its successors, to construct, maintain, and operate a bridge over Lake Sabine, at or near Port Arthur, Tex., and to extend the times for commencing and completing the said bridge, was considered, ordered to a third reading, read the third time, and passed.

## BILL PASSED OVER

The bill (S. 2041) for the relief of Charles E. Wilson was announced as next in order.

Mr. LOGAN. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

JUDGE ADVOCATE GENERAL'S DEPARTMENT OF THE ARMY

The bill (S. 3659) to promote the efficiency of the Judge Advocate General's department of the Army was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

Mr. LOGAN. Mr. President, will the Senator making the objection withhold his objection for a brief explanation? Mr. VANDENBERG. Very well.

Mr. LOGAN. The bill does not increase the cost of operating the Judge Advocate General's department to a greater extent than about \$20 a month, I believe. It authorizes an assistant to the Judge Advocate General with the title of brigadier general.

The situation at the present time is that when the Judge Advocate General is absent or not able to attend to his duties usually the next senior officer present has charge of the This does not necessarily mean that he is the most capable officer present. The bill would only change the situation to the extent that the President himself may name an assistant, subject to the approval of the Senate, I assume, and then in the office of the Judge Advocate General there would always be someone to take the place of the Judge Advocate General when he happened to be absent or incapacitated.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LOGAN. Certainly.

Mr. VANDENBERG. My memorandum indicates that the

War Department is in opposition to the bill.

Mr. LOGAN. The Secretary of War is in opposition to the bill. I believe, however, that anyone who looks into the situation for the purpose of satisfying himself and will talk to anyone he can get to talk to him in connection with the Judge Advocate General's department—which will not be very many because they are perhaps afraid to talk-will learn that this proposed legislation is really necessary and for the good of the service.

The only objection the War Department has to it is that some other department or division that does not now have one would also want an assistant. As a matter of fact, there

is no just ground for such objection.

That is the explanation I desire to make. I am very hopeful that the bill may be passed. However, if any Senator wishes to look into it later, there will be plenty of time to do so.

Mr. KING. Mr. President, will the Senator permit a question?

Mr. LOGAN. Certainly.

Mr. KING. It would seem to me, in view of the long experience of the department, especially during the World War, that if an Assistant Judge Advocate General were required, one would have been recommended by the War Department in the past.

Mr. LOGAN. I understand that it has been asked for.

The matter has been discussed for a good while. The passage of the bill will not add anything to the cost. It will not disorganize anything at all. The only thing it will do is to have some man named by the President to look after these duties who will have equal rank with the heads of other divisions with whom he will come in contact. The bill provides for nothing else. Instead of having a haphazard method of allowing someone to represent the Judge Advocate General, the bill simply says that a man designated by the President shall do so at all times.

The PRESIDING OFFICER (Mr. Russell in the chair). Is there objection to the consideration of the bill?

Mr. VANDENBERG. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

PROCUREMENT OF WAR DEPARTMENT PROPERTY WITHOUT ADVERTISING

The Senate proceeded to consider the bill (S. 3859) to authorize the procurement, without advertising, of certain War Department property, and for other purposes, which was read, as follows:

Be it enacted, etc., That whenever proposals are invited for the furnishing of articles of Chemical Warfare or Signal property of the War Department, the character of which or the ingredients thereof are of such a nature that the interests of the public service would be injured by publicly divulging them, the chief of the supply service concerned is authorized to purchase such articles in such manner as he may deem most economical and efficient.

Mr. McKELLAR. Mr. President, will the Senator from

respective chiefs of these branches, should not be divulged to any but firms known to be capable of supplying the requirements.

In purchasing articles of this character, however, it is necessary to divulge plans and specifications embodying these details to all bidders, in order to comply with the existing statutes. This bill is recommended for enactment by the War Department in order to meet the situation as to certain devices the nature of which should not be given out; and it provides that as to these articles, the departments shall purchase them in the manner it deems most advisable.

Mr. McKELLAR. Are the articles which may be purchased set out in the bill?

Mr. SHEPPARD. The bill is limited to articles which the War Department believes, for reasons of state, should not be publicly divulged—for this reason they are not specifically mentioned.

That would cover virtually the whole Mr. McKELLAR. field of purchases by the War Department.

Mr. SHEPPARD. Only as to these particular articles. We have to trust the Department to this extent.

Mr. McKELLAR. What articles are they? As I understand the language of the measure, it would allow the Department to say what articles they were. They might be gunpowder, cannon for the Army, guns, rifles, or anything of the kind.

Mr. SHEPPARD. The bill applies only to the Chemical Warfare Service and the Signal Corps.

Mr. VANDENBERG. Mr. President, does not the Signal Corps make purchases of wire and many other standard commodities?

Mr. SHEPPARD. If so, the bill would not apply to them. There has to be some special reason for not divulging the character of the commodity in order to have the provisions of the bill apply.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BILL PASSED OVER

The bill (S. 2158) for the relief of Franz J. Feinler was announced as next in order.

Mr. VANDENBERG. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

## WILLIAM T. J. RYAN

The Senate proceeded to consider the bill (S. 3692) for the relief of William T. J. Ryan, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 4, after "1916" and the first parenthesis, to insert "39"; and in line 7, after the word "then", to strike out "staff", so as to make the bill read:

Be it enacted, etc., That in the administration of the provisions of the act of August 29, 1916 (39 Stat. L. 649), relating to Federal support of families of enlisted men in the Military Establishment who served during the expedition into Mexico, the claim of William T. J. Ryan, then sergeant, Headquarters Battery, Seventy-sixth Regiment United States Field Artillery, Fort D. A. Russell, Wyo., for Federal support of his wife, Beulah E. Ryan, be held and considered to have been received in the office of the depot quarter-master, Washington, D. C., on or before June 30, 1917, in view of the fact that delay in receipt occurred through no fault of the soldier but through loss or miscarriage of his application in the mails.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## DEPUTY CHIEF OF STAFF, UNITED STATES ARMY

Mr. ROBINSON. Mr. President, the next bill on the calendar, Senate bill 3726, is adversely reported by the War Department. It proposes to give the rank of lieutenant general to the Deputy Chief of Staff.

In view of the report of the Secretary of War, I cannot understand the justification for the proposed legislation. In the report is contained a letter from the Secretary of War, in which the following statement appears:

Texas, who introduced the bill, explain it?

Mr. SHEPPARD. Mr. President, from time to time the Chemical Warfare Service and the Signal Corps have developed equipment the details of which, in the opinion of the

position, in times of peace, would immediately raise the question of corresponding increased rank for other staff assistants such as the chiefs of the various divisions of the General Staff, the chiefs of branches, and their assistants.

Further, omitting a part of the letter:

Congress in its last session passed a bill providing accelerated promotions for the commissioned personnel of practically the entire Army and it is the view of the War Department that no effort should be made toward the enactment of legislation providing additional increased promotions among the commissioned personnel, particularly of the higher ranks, in the absence of a pressing therefor.

The War Department does not favor the enactment of S. 3726 at

No cost to the Government would result from the enactment of

This proposed legislation was submitted to the Bureau of the Budget which reports that it is not in accord with the financial program of the President.

I ask that the bill go over.

Mr. SHEPPARD. Mr. President, before the bill goes over I desire to present briefly the views of the Senate Committee on Military Affairs in order that both sides of the problem may be before the Senate.

The office of Deputy Chief of Staff already exists, and is filled by an officer temporarily detailed to it, whose rank is customarily that of major general. The Deputy Chief of Staff is the principal assistant to the Chief of Staff, who is a full general while acting as Chief of Staff; and the purpose of this bill is to confer the temporary rank and title of lieutenant general upon the officer detailed or assigned as Deputy Chief of Staff in order that he may rank next to his chief, and may have title and rank commensurate with his responsibilities. Furthermore, the Deputy Chief of Staff, when acting as Chief of Staff, actually gives orders to corps area commanders who now hold the same rank as that of the Deputy Chief of Staff, namely, that of major general. This is another reason for giving the Deputy Chief of Staff a higher rank than that of major general.

The enactment of this legislation will occasion the Government no additional cost, inasmuch as the officer assigned as Deputy Chief of Staff will continue to receive the pay and allowances of a major general.

The War Department does not favor this bill, feeling that it will raise the question of corresponding increased rank for other staff assistants, such as the chiefs of the various divisions of the General Staff and the chiefs of branches. However, the Military Affairs Committee feels that this increased rank and title for the Deputy Chief of Staff is justified in view of the responsibilities of the office, and in view of the further fact that the bill will occasion no additional expense.

The PRESIDING OFFICER. Objection having been made. the bill will be passed over.

#### SALE OF TIMBER ON INDIAN LAND

The Senate proceeded to consider the joint resolution (H. J. Res. 215) to amend Public Act No. 435, Seventy-second Congress, which had been reported from the Committee on Indian Affairs with an amendment, on page 1, line 10, after the words "day of", to strike out "March" and insert "September", so as to make the joint resolution read:

Resolved, etc., That the last proviso in that Public Act No. 435 of the Seventy-second Congress entitled "An act to authorize the Secretary of the Interior to modify the terms of existing contracts for the sale of timber on Indian land when it is in the interest of the Indians so to do", as amended, be, and the same hereby is, amended to read as follows: "And provided further, That the authority granted herein shall terminate on the 4th day of September 1936: Provided further, That all such modified contracts shall have the approval of the tribal general council for tribal lands and of the allottee for allotted lands."

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

PRIVATE CLAIM 111, PARCEL 1, NAMBE PUEBLO GRANT

The bill (S. 3460) to authorize the Secretary of the Interior to ascertain the persons entitled to compensation on account of Private Claim 111, Parcel 1, Nambe Pueblo grant. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to find and determine the person or persons entitled to participate in the award of the Pueblo Lands Board in Private Claim 111, Parcel 1, Nambe Pueblo grant. The finding of the Secretary of the Interior shall be final and conclusive, and the person or persons so found entitled shall be compared by the contraction of the the contraction compensated out of the appropriations authorized by section 3 of the act of May 31, 1933 (48 Stat. L., 108-109).

#### MAIZEE HAMLEY

The bill (S. 3747) for the relief of Maizee Hamley was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit to Maizee Hamley, staff nurse in the Kiowa Agency, Anadarko, Okla., for the amount of \$946.70 received as dual compensation for the period July 1, 1928, to September 30, 1932, while employed as nurse and postmistress at the Havasupai Agency, Supai, Ariz., in contravention of the act of May 10, 1916, as amended (39 Stat. 120, 582), which prohibits payment of more than one salary, when the combined amounts of such salaries exceed the rate of \$2,000 per annum.

#### MRS. EARL H. SMITH

The bill (H. R. 7788) for the relief of Mrs. Earl H. Smith was considered, ordered to a third reading, read the third time, and passed.

#### WARD FUNERAL HOME

The bill (H. R. 8032) for the relief of the Ward Funeral Home was considered, ordered to a third reading, read the third time, and passed.

#### BILL PASSED OVER

The bill (H. R. 8588) to authorize the deposit and investment of Indian funds was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill? [A pause.] If not, I think the bill had better go over.

The PRESIDING OFFICER. The bill will be passed over.

#### SECOND BYRD ANTARCTIC EXPEDITION

The joint resolution (S. J. Res. 209) authorizing the presentation of silver medals to the personnel of the second Byrd Antarctic expedition was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of the Navy be, and hereby is, directed to cause to be made at the United States Mint such number of silver medals as he may deem appropriate and necessary, respectively, to be presented to the deserving personnel of the second Byrd Antarctic expedition that spent the winter night at Little America or who commanded either one of the expedition ships throughout the expedition, to express the high admiration in which the Congress and the American people hold their heroic and undamnted accomplishments for science unequaled in the and undaunted accomplishments for science, unequaled in the history of polar exploration.

## FISH-CULTURAL STATION, ARIZONA

The Senate proceeded to consider the bill (S. 813) authorizing the Secretary of Commerce to establish a fishcultural station in Arizona, which had been reported from the Committee on Commerce with amendments, on page 1, line 4, after the word "station", to strike out "at the head of Williams Creek within the Fort Apache Indian Reservation": in line 6, after the word "Arizona", to insert "and such station shall be operated and maintained"; and in line 10, after "1930", to insert "Provided, That in the event of the establishment of a fish-cultural station within the Fort Apache Indian Reservation, Ariz., and in consideration of the consent of the Indians of said reservation to the location of the same thereon without cost to the United States the streams therein shall be kept well stocked with mountain trout; that Indians shall be given preference in all labor opportunities at the prevailing rate of wages; and that in the purchase of otherwise worthless ponies required by said station, Indians shall be given preference in supplying same at commercial rates: Provided further, That sufficient pasturage for such ponies on said reservation will be made available to such fish-cultural station without compensation therefor to said Indians, except as provided for herein", so as to make the bill read:

Be it enacted, etc., That the Secretary of Commerce is authorized and directed to establish a fish-cultural station in the State of Arizona and such station shall be operated and maintained in

accordance with the provisions of the act entitled "An act to provide for a 5-year construction and maintenance program for the United States Bureau of Fisheries", approved May 21, 1930: Provided, That in the event of the establishment of a fish-cultural station within the Fort Apache Indian Reservation, Ariz., and in consideration of the consent of the Indians of said reservation to the location of the same thereon without cost to the United States the streams therein shall be kept well stocked with mountain trout; that Indians shall be given preference in all labor opportunities at the prevailing rate of wages; and that in the purchase of otherwise worthless ponies required by said station, Indians shall be given preference in supplying same at commercial rates: Provided further, That sufficient pasturage for such ponies on said reservation will be made available to such fish-cultural station without compensation therefor to said Indians, except as provided for herein.

SEC. 2. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$60,000, or so much thereof as may be necessary, to carry out the provisions of this act.

The amendments were agreed to.

Mr. HAYDEN. Mr. President, I move to amend the bill, in line 13, page 2, by inserting, after the word "hereby", the words "authorized to be."

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona will be stated.

The CHIEF CLERK. On page 2, line 13, after the word "hereby", it is proposed to insert "authorized to be."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SIXTEENTH TRIENNIAL CONVENTION, WORLD'S WOMAN'S CHRISTIAN TEMPERANCE UNION

The Senate proceeded to consider the bill (S. 3950) to aid in defraying the expenses of the Fourteenth Triennial Convention of the World's Women's Christian Temperance Union to be held in this country in June 1937, which had been reported from the Committee on Foreign Relations with amendments, on page 1, line 5, after the words "of the", to strike out "Fourteenth" and insert "Sixteenth"; and in line 6, after the word "World's", to strike out "Women's" and insert "Woman's", so as to make the bill read:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000 to aid in defraying the expenses of the Sixteenth Triennial Convention of the World's Woman's Christian Temperance Union to be held in this country in June 1937, such sum to be expended for such purposes and under such regulations as the Secretary of State shall prescribe and without regard to any other provision of law.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to aid in defraying the expenses of the Sixteenth Triennial Convention of the World's Woman's Christian Temperance Union to be held in this country in June 1937."

#### LOUIS H. CORDIS

The bill (S. 1075) for the relief of Louis H. Cordis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the requirements of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in the case of Louis H. Cordis, of Portland, Oreg., formerly employed as a deckhand on the United States dredge Clatsop, and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed by him under the provisions of such act, as amended, within 1 year after the date of enactment of this act, for compensation for disability resulting from injuries received by him on September 15, 1928, while cleaning, in the performance of his duties as such employee, certain sand chutes: Provided, That compensation, if any, shall be paid from and after the date of enactment of this act. Such payments of compensation shall be made out of funds heretofore or hereafter appropriated for the payment of awards under the provisions of such act of September 7, 1916, as amended.

## HERMAN SCHIERHOFF

The bill (H. R. 977) for the relief of Herman Schierhoff was considered, ordered to a third reading, read the third time, and passed.

#### ELIZABETH HALSTEAD

The bill (H. R. 4638) for the relief of Elizabeth Halstead was considered, ordered to a third reading, read the third time, and passed.

Mr. McKELLAR subsequently said: Mr. President, I ask unanimous consent that the vote by which House bill 4638 was passed may be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the bill was passed is reconsidered.

Mr. McKELLAR. Now, let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

#### SAM CABLE

The Senate proceeded to consider the bill (H. R. 6335) for the relief of Sam Cable, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sam Cable, of Falmouth, Mich., the sum of \$300, in full settlement of all claims against the United States for damages to him caused by the slaying of 15 head of cattle known as abortion reactors in connection with the Government's efforts to eradicate this disease from the dairy herds of Missaukee County, Mich.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, may I inquire of any Senator interested in this bill whether the appropriation made here-tofore for the elimination of Bang's disease would not care for cases of this kind?

Mr. COUZENS. Mr. President, I confess that I cannot answer that question, because this case does not seem to be covered by the general law. Otherwise the Committee on Claims and others would not be interested. The bill carries only a small amount, and the claim does not come under any general law.

Mr. KING. It may be that other claims may be presented, and I want to know whether the large sum we appropriated a few days ago, and the large sum appropriated a year ago, would not be available for meeting charges of this kind.

Mr. COUZENS. That is not my understanding, because this was passed upon before the general law was enacted.

Mr. KING. I shall not object.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

## EDWARD C. PAXTON

The bill (H. R. 8038) for the relief of Edward C. Paxton was considered, ordered to a third reading, read the third time, and passed.

## ESTATE OF EMIL HOYER

The bill (H. R. 685) for the relief of the estate of Emil Hoyer (deceased) was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill? If not, let it be passed over.

The PRESIDING OFFICER. The bill will be passed over.

#### GEORGE RABCINSKI

The Senate proceeded to consider the bill (S. 3685) for the relief of George Rabcinski, which had been reported from the Committee on Claims with an amendment to add at the end of the bill a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George Rabcinski, former private, Company E, Three Hundred and Fifty-ninth Regiment, — Infantry, the sum of \$140.37, being the par value of one second Liberty Loan bond together with interest which had accrued prior to its call, and for which he has paid the United States by deduction from his pay as an enlisted man, and which bond was erroneously delivered to persons unknown and not designated by

him to receive it: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### RALPH RIESLER

The Senate proceeded to consider the bill (S. 2126) for the relief of Ralph Riesler, which had been reported from the Committee on Claims with amendments, on page 1, line 5, to strike out the word "Riesler" and to insert in lieu thereof the word "Reisler"; on line 6, to strike out "\$5,000" and to insert in lieu thereof "\$2,000 in full settlement of all claims against the United States"; and at the end of the bill to insert a proviso, so as to make the bill read:

insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ralph Reisler the sum of \$2,000 in full settlement of all claims against the United States for damages suffered by reason of his son, Ralph Reisler, being struck and killed by a Government automobile which was driven by an employee of the Post Office Department: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Ralph Reisler."

#### CATHARINE I. KLEIN

The bill (S. 4019) for the relief of Catharine I. Klein was announced as next in order.

Mr. McKELLAR. Mr. President, I should like to have an explanation of this bill. If there is no one here to explain it, let it go over.

The PRESIDING OFFICER. The bill will be passed over.

#### RODMAN CHEMICAL CO.

The joint resolution (H. J. Res. 223) conferring upon the Court of Claims jurisdiction of the claim of the Rodman Chemical Co. against the United States was announced as next in order.

Mr. LA FOLLETTE. Mr. President, may we have an explanation regarding this measure? I notice that the War Department is opposed to its enactment.

Mr. KING. Let it go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

## LYDIA C. SPRY

The bill (H. R. 381) granting insurance to Lydia C. Spry was considered, ordered to a third reading, read the third time, and passed.

#### JOHN T. CLARK

The bill (H. R. 4439) for the relief of John T. Clark, of Seattle, Wash., was considered, ordered to a third reading, read the third time, and passed.

#### GRAND VIEW HOSPITAL AND DR. A. J. O'BRIEN

The bill (H. R. 5764) to compensate the Grand View Hospital and Dr. A. J. O'Brien, was considered, ordered to a third reading, read the third time, and passed.

#### GEORGE S. GEER

The bill (S. 1419) for the relief of George S. Geer, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to George S. Geer, formerly a corporal, Company M, Forty-sixth Regiment United States Volunteer Infantry, 2 months' extra pay in full satisfaction of his claim for benefits under the provisions of the act entitled "An act granting extra pay to officers and enlisted men of the United States Volunteers", approved January 12, 1899, as amended, such claim having been disallowed because said George S. Geer was discharged prior to the date of the general order authorizing the muster out of volunteers serving in the Philippine Islands.

#### PETRA M. BENAVIDES

The bill (H. R. 1363) for the relief of Petra M. Benavides was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill? If not, let it go over.

The PRESIDING OFFICER. The bill will be passed over.

#### DAVID DUQUAINE, JR.

The bill (H. R. 8061) for the relief of David Duquaine, Jr., was considered, ordered to a third reading, read the third time, and passed.

#### MR. AND MRS. BRUCE LEE

The Senate proceeded to consider the bill (H. R. 3952) for the relief of Mr. and Mrs. Bruce Lee, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike out the words "not otherwise appropriated" and to insert in lieu thereof the words "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Mr. and Mrs. Bruce Lee, father and mother of Murvel Lee, the sum of \$2,500, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, and in full settlement of all claims against the United States for the death of said Murvel Lee, who was killed when struck by an automobile owned by the Department of Agriculture, and driven by an enrollee of the Civilian Conservation Corps, near Clearfield, Rowan County, Ky., on January 14, 1934: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

#### SARAH SHELTON

The Senate proceeded to consider the bill (H. R. 2982) for the relief of Sarah Shelton, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, to strike out "\$6,000" and to insert in lieu thereof "\$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Sarah Shelton, of Granite City, III., the sum of \$5,000 in full settlement of all claims against the United States for the death of her husband, William Shelton, who was killed by being run down by a launch under the control and charge of the deputy collector of customs at St. Louis, Mo., while said deputy collector was in the exercise and discharge of his official duties: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary

notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

#### BARBARA BACKSTROM

The Senate proceeded to consider the bill (H. R. 4387) for the relief of Barbara Backstrom, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and in lieu thereof to insert:

That jurisdiction is hereby conferred upon the United States District Court for the Western District of Michigan to hear, determine, and render judgment, as if the United States were suable in tort, upon the claim of Barbara Backstrom, of Muskegon, Mich., for damages resulting from injuries sustained in falling from an un-quarded spot on the lighthouse maintained by the Government at the entrance of the channel leading from Lake Michigan into the Muskegon Lake Harbor on July 7, 1934: Provided, That the judg-ment, if any, shall not exceed the sum of \$5,000.

Sec. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, and appeals from and payment of any judgment thereon, shall be in the same manner as in the cases of claims over which such court has jurisdiction, under the provisions of paragraph twentieth, of section 24, of the Judicial Code, as

Mr. KING. Mr. President, I thought a rule had been established that cases similar to this were to be referred to the Court of Claims. I have no objection to sending these tort actions to the Court of Claims for ascertainment of the facts, but we had better consider very thoroughly the proposal to send them all to the Federal courts throughout the United States.

Mr. COUZENS. May I point out to the Senator that this is a case where, in my judgment, the Committee on Claims should have allowed this claim, but I was unable to convince the committee they should allow it. So, as a substitute, they proposed the amendment just stated.

This particular case arose in Muskegon, Mich., and if the claimant had to come to Washington to prosecute the case before the Court of Claims there would be nothing left for her because of the limit of \$5,000 which she could receive.

Mr. McKELLAR. I was just about to ask the Senator whether the claimant lived near the court where the claim is to be tried.

Mr. COUZENS. Within a few miles.

Mr. McKELLAR. I think the Senator is correct in his position.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act conferring jurisdiction upon the United States District Court for the Western District of Michigan to hear, determine, and render judgment upon the claim of Barbara Backstrom."

#### ODESSA MASON

The Senate proceeded to consider the bill (H. R. 1252) for the relief of Odessa Mason, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, to strike out the words "not otherwise appropriated" and to insert in lieu thereof the words "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Odessa Mason, of the city of Newport, Tenn., the sum of \$750 in full settlement of all claims against the United States for bodily injuries sustained by her on September 13, 1933, when an automobile in which she was riding was in collision with a truck of the Civilian Conservation Corps, on State Highway No. 75: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or

received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

#### SALE OF LAND TO HOT SPRINGS, N. MEX.

The Senate proceeded to consider the bill (H. R. 7024) to authorize the sale by the United States to the municipality of Hot Springs, N. Mex., the northeast half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, Hot Springs, N. Mex., which had been reported from the Committee on Public Lands and Surveys with amendments, on page 1, line 6, to strike out the word "northeast" and to insert in lieu thereof the word "north"; and, on page 2, line 4, after the numerals "1933", to insert a comma and the words "pursuant to the provisions of section 17 of the act of November 29, 1929 (42 Stat. 212)", so as to make the bill read:

Stat. 212)", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to patent to the city of Hot Springs, N. Mex., upon payment by such city of a purchase price at the rate of \$1.25 per acre, the land on the north half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, New Mexico principal meridian, New Mexico, for the purpose of enabling such city to establish a permanent recreational site and municipal golf course, subject to highway right-of-way shown on a map approved by the Department of Interior on December 13, 1933, pursuant to the provisions of section 17 of the act of November 9, 1929 (42 Stat. 212). Such conveyance shall contain the express condition that if such city shall at any time cease to use such property for such purposes, or shall alienate or attempt to alienate such property, title thereto shall revert to the United States. shall revert to the United States.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to authorize the sale by the United States to the municipality of Hot Springs, N. Mex., of the north half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, New Mexico principal meridian, New Mexico."

# DISPOSAL OF MATERIAL TO BOY SCOUTS OF AMERICA

The bill (S. 3990) authorizing the Secretary of the Treasury to dispose of material to the sea-scout service of the Boy Scouts of America was announced as next in order.

Mr. COPELAND. Mr. President, this bill is identical with Order of Business 1766, House bill 9671, and I ask that the House bill be substituted for the Senate bill and be considered at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 9671) to authorize the Secretary of the Treasury to dispose of material to the sea-scout service of the Boy Scouts of America.

Mr. ROBINSON. Mr. President, what is the property that is to be so disposed of?

Mr. COPELAND. It is boats and other material from the Coast Guard, unneeded materials, to be given to the Boy Scouts.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

County, Md., with a view to the controlling of floods was considered, ordered to a third reading, read the third time, and passed.

PRELIMINARY EXAMINATION OF THE REPUBLICAN RIVER

The Senate proceeded to consider the bill (S. 4025) to authorize a preliminary examination of the Republican River with a view to the control of its floods, which was read, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Republican River and its tributaries, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

Mr. McKELLAR. Mr. President, I think this bill was indefinitely postponed. It certainly has been acted on.

Mr. STEIWER. Mr. President, the bill just read is a bill to authorize an examination of the Republican River with a view to controlling its floods. There is no objection to this bill, but let me suggest that the ever-rising tide of Republican floods cannot be controlled by any legislative act.

Mr. FLETCHER. Mr. President, this bill went over at the request of the Senator from Nebraska. It was to be retained on the calendar to see what action the House would take on the amendment to the House bill adopted earlier in the day.

Mr. ROBINSON. The name of the river ought to be changed. [Laughter.]

Mr. McKELLAR. Mr. President, a House bill similar to the Senate bill was passed, and I thought the Senate bill was indefinitely postponed.

Mr. FLETCHER. No; the Senator is mistaken.

Mr. McKELLAR. The House bill was amended and passed. Mr. BORAH. Mr. President, the Senator from Nebraska [Mr. Norris] did not want the Senate bill indefinitely postponed. He wanted it to remain on the calendar, so that if the House did not act in harmony with his views the bill would be on the calendar.

Mr. FLETCHER. He wanted it to remain on the calendar until the House had acted on the amendment.

Mr. McKELLAR. I believe the Senators are correct about the matter.

The PRESIDING OFFICER. The bill will be passed over.

## RESEARCH IN PACIFIC OCEAN FISHERIES

The bill (S. 3989) to provide for the construction and operation of a vessel for use in research work with respect to Pacific Ocean fisheries was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

DISTINGUISHED FLYING CROSS TO LINCOLN ELLSWORTH

The Senate proceeded to consider the bill (S. 3770) to award the Distinguished Flying Cross to Lincoln Ellsworth, which had been reported from the Committee on Commerce with an amendment, on page 1, line 3, to strike out the words "the President of the United States is hereby authorized to award the Distinguished Flying Cross" and to insert in lieu thereof the words "by act of Congress, a special gold medal be awarded", so as to make the bill read:

Be it enacted, etc., That by act of Congress, a special gold medal be awarded to Lincoln Elisworth, noted American explorer and outstanding pioneer in exploratory aviation in the Arctic and Antarctica, for his exceptionally meritorious services to science and aeronautics in making a 2,500-mile aerial survey of the heart of Antarctica to determine if it is a solid land mass or divided by a frozen sea, thus paving the way for more detailed studies of geological, meteorological, and geographical questions of world-wide importance. importance.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to award a special gold medal to Lincoln Ellsworth."

Mr. BARBOUR. I should like to make a brief statement at this time, if I may, with respect to Senate bill 3770, which

was introduced by my distinguished colleague from California [Mr. Johnson], and which has just been passed.

I wish to express my pleasure at this recognition of Lincoln Ellsworth, a fellow resident of my State of New Jersey and a neighbor of mine in the borough of Rumson, Monmouth County.

I wish to express thus publicly to the senior Senator from California my appreciation of his having introduced this bill to award the gold medal recommended by the War Department to Lincoln Ellsworth. My only regret is that I myself did not introduce this measure. But no matter; that is a distinction without a difference, and the bill has come before the Senate under better auspices anyway.

Mr. ROBINSON. Mr. President, this bill signalizes the second instance in which the Congress has done honor to the name and services of Mr. Lincoln Ellsworth. In 1928, if my memory serves me correctly, I myself was prompted to introduce and promote the passage of a measure similar to this one in honor of the services and experiences of Mr. Ellsworth. That measure was approved May 29, 1928, and was in recognition of Mr. Ellsworth's polar flight made in 1925

#### BILLS PASSED OVER

The bill (S. 2694) to add certain lands to the Columbia National Forest in the State of Washington was announced

Mr. KING. Mr. President, I should like some explanation as to the provisions of the bill, which proposes to add 80,000 acres to this forest.

If no one present can explain the bill, I ask that it be passed over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 3580) granting and confirming to the East Bay Municipal Utility District, a municipal utility district of the State of California, and a body corporate and politic of said State, and a political subdivision thereof, certain lands, and for other purposes, was announced as next in order.

Mr. JOHNSON. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

## **OUACHITA NATIONAL FOREST**

The bill (S. 3445) to authorize the Secretary of Agriculture to release the claim of the United States to certain land within the Ouachita National Forest, Ark., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized to execute a quitclaim deed to Andrew Jackson Talley and Becca Adeline Talley, releasing all right, title, and interest of the United States in and to the following-described

Lots 5 and 6 in the northeast quarter section 2, township 4 north, range 24 west, fifth principal meridian, and that part of lots 7 and 8 in the northeast quarter of said section 2, described as follows:

as follows:

Beginning at a point on the north line of lot 8 which is 8.70 chains west from the northeast corner of said lot and is a point in the center of the creek; thence upstream with the meanders of the creek, and following the thread thereof, south 59° west 1.40 chains; south 69° west exactly 1 chain; south 82°30′ west exactly 3 chains; south 86° west exactly 1 chain; south 55° west exactly 1 chain; south 55° west exactly 3 chains; north 61° west exactly 2 chains; south 74° west exactly 2 chains; south 77°30′ west 1.75 chains; north 55° west exactly 2 chains; south 77°30′ west 1.25 chains; north 85° west 1.75 chains; north 13° west exactly 2 chains, which is a point on the north line of said lot 7; thence east with the north line of said lots 7 and 8 to the point of beginning, containing an area of 83.19 acres more or less.

MARKER OF SITE OF ENGAGEMENT FOUGHT AT COLUMBUS, GA.

The bill (H. R. 9200) authorizing the erection of a marker suitably marking the site of the engagement fought at Columbus, Ga., April 16, 1865, was considered, ordered to a third reading, read the third time, and passed.

#### MISSISSIPPI RIVER FLOOD CONTROL

The bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes, approved May 15, 1928," was announced as next in order.

Mr. McNARY. I ask that the bill be passed over.

Mr. ROBINSON. Mr. President, this bill is of great importance. I express the hope that it may be taken up for consideration in the early future.

The proponents of the bill, including the Senator from Louisiana [Mr. Overton], realize that it would not be possible to secure action under the present unanimous-consent order.

Mr. McNARY. Mr. President, in that connection I desire to say that I hope no effort will be made by the able Senator from Louisiana [Mr. Overton] or the able Senator from Arkansas [Mr. Robinson] to take up this bill until the Senate Commerce Committee, which is now studying a national flood-control bill, shall have had an opportunity to consider the whole matter and to report on it.

Mr. ROBINSON. I may say to the Senator from Oregon that the bill just called—Senate bill 3531, being Calendar No. 1731—has relationship to one important phase of the subject of flood control. It does not purport or attempt to deal with the problem on the tributaries of the Mississippi, except in a very limited way.

I myself had hoped that the House bill, which passed during the next to the last day of the last session, and which I myself was instrumental in causing the Senator from New York [Mr. Copeland] promptly and hastily to report, and which bill was taken up in the Senate during the very last day of the session, and finally, at the insistence of the Senator from Maryland [Mr. Tydings], was recommitted, might have reached the calendar before this time.

I know that the Commerce Committee has been very busy and that it has been diligent in studying the subject, and it is my understanding that the committee will be able to report in the early future.

If it meets the approval of the Senator from Oregon [Mr. McNary] and the Senator from New York [Mr. Copeland], I suggest that the Senator from Louisiana and myself, with others who are interested, confer in the immediate future as to procedure.

Mr. COPELAND. Mr. President, will the Senator from Oregon yield?

Mr. McNARY. I yield.

Mr. COPELAND. I may say that the Committee on Commerce have been diligent, as our leader has said. We have been having hearings with the War Department through the past 2 weeks. We now have before the committee a tentative bill which will be taken up for consideration by the committee on Monday morning next at 10:30.

The bill to which I refer does not include the projects included in the Overton bill, but it includes other projects; and I assume that on Monday additions may be made to the bill.

I think it proper to make this statement, because, as chairman of the committee, I am anxious to have Senators who are interested and who have projects which they think are meritorious and should be added to the bill, communicate with the committee, either in person on Monday or in writing before that time, in order that we may know what the desires of individual Senators may be.

In this bill we have attempted to establish a yardstick. That never has been done with reference to flood control. It has been done with reference to river and harbor appropriations, but never with reference to flood control. If the committee does not vary from its apparent intention, no project will be included in the bill unless it has received the approval of the Army engineers and is considered meritorious by that Board.

I may say, Mr. President, that the committee is to meet on Monday at 10:30 o'clock in the Commerce Committee room. The whole committee will be there at that time, and if there are Senators who wish to be heard, I hope they will "speak then or forever hold their peace", because if we are to pass this bill it will involve a long conference, and it is necessary that there should be speedy action.

I refer not only to the general bill but also to other bills which, I assume, will be presented in the near future in order to determine what shall be our attitude regarding these various problems.

Mr. ROBINSON. Mr. President, of course it would not be possible now to determine whether the Senate will attempt to combine the two bills or let them proceed separately. It has been thought by some that the two measures—I am referring now to the Overton bill and to the omnibus levee and reservoir bill, which is the one that is still pending in the Commerce Committee—relate to different phases of flood control; and the question will arise, if it does not now arise, as to whether the bills shall be proceeded with separately, or whether an effort shall be made to combine them.

It will be recalled that at the last session, during the last few hours of the session, we hastily brought forward the omnibus levee and reservoir bill, which has relation to the control of floods on the tributaries of the Mississippi, and that during the debate which followed there was much ridicule, or attempted ridicule, of the provisions of the measure. I wish the Senator from Maryland [Mr. Typings], who indulged in that remarkable display of humor, were present. I should like to call his attention to the fact that the Senate has just passed a House bill authorizing a preliminary examination of Marshy Hope Creek, a tributary of the Nanticoke River, at and within a few miles of Federalsburg, Caroline County, Md., with a view to controlling floods.

Mr. President, events of the past few days have given added significance and emphasis to the importance of flood-control legislation. When a great flood occurs in any community there follows an agitation in favor of action to prevent its recurrence. Differences then arise as to what had best be done; conflicts of opinion manifest themselves, and very little is accomplished. The years go by, and the currents gather their murky volumes and work destruction in their progress toward the sea; and again there is revived an agitation in favor of flood control, only to take the same course as in the past.

Mr. COPELAND. Mr. President, will the Senator yield?
Mr. ROBINSON. I will yield in a moment. In 1928 the
Congress of the United States passed a comprehensive measure providing for projects for the control of floods within
the alluvial valley of the Mississippi and on the tributaries
of the Mississippi. The project as to the alluvial valley has
been partially worked out; it has not been completed for the
reason that public opposition to a prospective floodway became so great that the Federal authorities did not see fit to
proceed with it.

The Overton bill, in my judgment, works out that problem, and works it out in accordance with the well-considered plans of the engineers. Almost every dispute touching that feature of flood control, namely, control of floods on the Mississippi or in its alluvial valley, has been settled, and the project is ready for action.

No one more than I realizes the importance of controlling floods on the tributary streams. The truth is that complete control cannot be accomplished without the construction of more levees and the creation of reservoirs.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield now to the Senator from New York.

Mr. McNARY. Mr. President, I think I had the floor.

The PRESIDING OFFICER. The Senator from Oregon has the floor. Does he yield; and if so, to whom?

Mr. McNARY. I am simply calling attention to the matter. I do not wish to yield further if title to the floor will thereby be taken away from me.

Mr. ROBINSON. I apologize to the Senator.

Mr. McNARY. That is all right.

Mr. COPELAND. Mr. President, will the Senator yield?
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from New York?

Mr. McNARY. I yield.

Mr. COPELAND. Confirmatory of what the Senator from Arkansas has said, it is very probable if the bill which we had before us last year, which was recommitted to the committee by reason of the speech of the Senator from Maryland [Mr. Tydings] had been passed and the control meas-

Pittsburgh this year would not have occurred.

Mr. OVERTON. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Louisiana?

Mr. McNARY. I yield to the Senator from Louisiana.

Mr. OVERTON. I wish to add to what the Senator from Arkansas [Mr. Robinson] has said with respect to Senate bill 3531, known as the Overton bill, that the bill does not present for the consideration of Congress any new projects at all. The main purpose of the bill is to carry into execution the flood-control project adopted by the act of May 15, 1928, known as the Jadwin plan. The work under that plan and the work authorized by the Flood Control Act of 1928 is, roughly speaking, about half completed.

After the enactment of the act of 1928, the Mississippi River Commission and the Chief of Army Engineers, acting under a resolution adopted by the Flood Control Committee of the other House, made a resurvey and reexamination of the project for the control of floods in the alluvial valley of the Mississippi River, and the Chief of Army Engineers submitted a report in February 1935 suggesting certain modifications of that plan. The purpose of Senate bill 3531 is to adopt the engineering recommendations made by General Markham in modification of the adopted plan. A further purpose is to authorize additional funds to carry the work into execution.

I will say, Mr. President, that the bill for the control of floods in the alluvial valley of the Mississippi River differs from the omnibus flood-control bill and from any other bill relating to flood-control projects in this respect: That the Federal Government has adopted a national policy that flood control in the lower valley of the Mississippi shall be undertaken by the Government itself.

It further differs in this important particular, that the plan referred to in the Overton bill, to be modified according to the recommendation of General Markham as suggested in the Overton bill, has been recommended by the Mississippi River Commission, by the Chief of Engineers, by General Jadwin, by his successor, General Brown, and by the present Chief of Engineers, General Markham. There has not been any project ever submitted to Congress that has had more earnest and thorough consideration, investigation, and study than has the plan referred to in this bill.

I therefore hope that this bill may be considered in the immediate future; and I also express the hope that it will be considered separately and independently from other proposed flood-control legislation.

Mr. BARKLEY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. McNARY. I yield.

Mr. BARKLEY. In view of the fact that the Overton bill, which is now on the calendar, is based upon a policy heretofore adopted by Congress accepting the responsibility in dealing with the Mississippi River as a separate national flood-control situation, is there any reason why the consideration of the bill should await the report of the committee on another bill containing a large number of miscellaneous projects, which are simply to be surveyed before any action can be taken by Congress? I ask the Senator if there is any real connection between them?

Mr. McNARY. I shall answer that question. I have the floor now, and I have been very gracious in yielding, I think. Mr. BARKLEY: The Senator from Oregon is always very gracious.

Mr. McNARY. And I should now like to proceed.

I am not here opposing at this time, nor is it my purpose to oppose the so-called Overton bill.

Answering the Senator from Kentucky [Mr. BARKLEY], this bill deals with the same subject matter as does the omnibus bill, namely, flood control, arresting the angry waters of turbulent streams throughout the country. While it deals with the lower reaches of the Mississippi River, it is

ures contemplated by the bill had been installed, the flood in | just as important to deal with the reaches of other rivers throughout the country.

It is true that in 1928-I recall it, because I happened to be a member of the subcommittee of the Committee on Commerce when the action was taken-Congress adopted the plan with respect to the Mississippi River. Why? Because that reached back to prior legislation which comprehended flood control limited to the Mississippi River and the Sacramento River. At that particular time, or the year following, I tried to have an amendment written into the law making flood control under the responsibility of the Federal Government applicable to the great Columbia River of the Pacific Northwest.

I am not opposing the Overton bill as it stands, but I say it is not good legislative practice to take up separately that bill, which treats of flood control on a principle different from that outlined in the so-called omnibus bill which is now being considered by the Committee on Commerce, and on which a report will be made in the near future. The two ought to go together. We must study this whole problem from a national standpoint. One who lives on the banks of the Arkansas River, of the Suwannee River, or the Wabash River, or that most delightful of all rivers, the Columbia River, is entitled to the same protection from the Federal Government as is anyone who lives on the banks of "Old Man River"—the Mississippi.

Mr. BARKLEY. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. McNARY. I yield.

Mr. BARKLEY. I wish to say that, so far as I am individually concerned, I am in sympathy with the assumption of responsibility by the National Government with respect to all rivers that are causing damage, or may cause damage, by the overflow of their waters, but the provisions of the Overton bill were not included in the omnibus bill which was discussed at the end of the last session and recommitted to the committee. The omnibus bill is largely a bill for surveys seeking information.

Mr. McNARY. Not at all. The Senator is not conversant with the philosophy of the bill and its terms.

Mr. BARKLEY. Of course, many of the items provided for surveys, and some were authorizations; but the stream of ridicule which was directed at that bill, which largely was responsible for its recommittal, was because of surveys which were provided for and not because of authorizations.

What I started to say was that that bill has passed the House and is now in the Senate Committee on Commerce. The Overton bill has passed neither House, and while both bills deal with floods, there is no necessary connection between the two from a legislative standpoint, although it would be desirable, as it always is, for all subjects pertaining to a given policy to be included in the same bill.

Mr. McNARY. They deal with the same subject matter, namely, the Government's attitude and contributions with respect to the control of the floodwaters of streams throughout the country. When we are dealing with a subject matter and it affects one section of the country as it does another, are we to favor one section over another, or shall we grasp the whole problem and study it from that angle? When we had the A. A. A. measure here did we consider just the effect it had on farmers in the South who produce cotton? No. We treated it from a national standpoint. I am appealing only for a fair and decent plan of legislation for the country at large, and that the Overton bill be not taken up until the omnibus bill may be brought before the Senate and a general policy formulated.

Let me say to the Senator from Kentucky that to my mind one of the policies we should determine is how far we are to exact cooperation from those who suffer because of the floodwaters of our angry streams. A plan was brought to me yesterday by one of the generals on the Board of Army Engineers to provide that reservoirs should be built solely at Government expense, and that for some sections of the country levee districts should be established and flood-control organizations created, for which the farmers themselves would burden their property to take care of floodwaters. In other sections there is a requirement of cooperation on the basis of 50 to 75 percent and as low as 25 percent. Are we going to adopt the policy of noncooperation with some individuals and districts who are protected? Shall one plan apply to the lower reaches of the Mississippi and another to the rivers of New England or of the Middle West or of the far West?

In fairness, my suggestion ought to appeal to the good sense of anyone who is interested in logical and proper legislation. The suggestion is merely that some plan, which is national in its character, should be devised for flood control, because floods are just as disastrous in one section as in another, and we should have a plan which will operate equally in all sections of the country. It is for that reason and in the interest of wise legislation and fair and equitable treatment of all regions of the country that I request, and I insist, so far as I can, that the Overton bill be not taken up until the Commerce Committee can report to this body what it believes should be the future policy of the Government with respect to the control of the floodwaters of our streams.

Mr. BARKLEY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. McNARY. I yield.

Mr. BARKLEY. The Commerce Committee has had both bills under consideration, the omnibus bill and the Overton bill. We cannot assume the Commerce Committee is derelict in the performance of its duties if it did not see fit to combine the two measures, but has reported the Overton bill for the consideration of the Senate.

Mr. McNARY. I am not interested in any assumption that may be made. If the Senator from Kentucky knew something about the subject matter, he might discuss it with much more understanding. Just yesterday General Pilsbury was before the committee with an entirely new scheme that does not involve cooperation. We have not as yet had copies of the bill for members of the committee to read. It is for that particular reason, among others, that I suggest that the Overton bill, which centralizes itself and localizes itself on one part of a mighty stream, should rest in peace on the calendar of the Senate until a plan is suggested to the Senate by the committee now considering the subject matter.

Mr. BARKLEY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. McNARY. I yield.

Mr. BARKLEY. The Senator from Oregon seems to be unusually agitated this afternoon and in a frame of mind which induces him to be snappy at his fellow Senators without the slightest justification. I merely stated that the same committee which has the omnibus bill before it has considered the Overton bill and reported them separately, to which the Senator replied I did not know what I was talking about. The record, I believe, shows the bill was reported March 5, 1936, long after both bills had been considered by the committee during all of this session.

My remark merely was directed to an inquiry as to why the committee charged with responsibility as to all this legislation have seen fit to report this bill. I said it was because the committee thought it was worthy of consideration and had not sought to combine it with the omnibus bill now before the committee and which may or may not be acted on in the near future.

Mr. McNARY. I have tried to make it clear to the Senator that the Commerce Committee reported the omnibus bill. Later on it was returned to the Army engineers for further consideration. Yesterday the Board of Army Engineers submitted through one of its members a different plan altogether, which, if adopted, will apply to every section of the country.

It is my attitude and my belief that such a plan, general in its application, should be considered by the Senate.

Mr. OVERTON. Mr. President, will the Senator yield? Mr. McNARY. I yield.

Mr. OVERTON. I am very much in sympathy with the suggestion that there should be adopted a national policy with reference to flood control generally throughout the Nation. I do not mean by that that on every little stream which happens to overflow its banks flood-control works should be provided by the Federal Government.

I wish to assure the Senator from Oregon that, as a member of the Committee on Commerce, I should be very glad indeed to cooperate with him in the formulation of a bill which would properly express the policy the Federal Government ought to adopt. However, I wish to call his attention to this difference between the omnibus bill and my bill.

No policy whatsoever has been adopted by the Federal Government in respect to all the various projects which are incorporated in this great bill. On the other hand, 8 years ago the Federal Government adopted a policy with reference to the control of floods in the lower Mississippi Valley. The purpose of my bill is not to ask Congress to consider what policy should be adopted in reference to the lower Mississippi Valley, because that policy has already been adopted. In respect to the omnibus flood-control bill, a policy should be carefully considered and carefully formulated. The chairman of the Commerce Committee has been working with that object in view. A bill has been tentatively prepared and submitted announcing such a policy.

But why should the lower Mississippi Valley wait on flood-control projects stretching from California to Maine when the Federal Government has already formulated such a policy, has spent over \$200,000,000 in prosecuting that work, and if not further prosecuted, the work which has been done will be practically worthless and the money which the Federal Government has spent will have been wasted?

As has been pointed out, the omnibus flood-control bill has already passed the House. It has been considered by the Senate Commerce Committee, reported to the Senate, referred back to the Commerce Committee, and again reported by that committee. But my bill has not been considered by the House. After it shall have been passed by the Senate it will have to go to the House and be acted on there. I fear that while we are awaiting a formula to be applied with reference to the other flood-control projects, unrelated to the project covered by my bill, it will be too late to secure the passage of my bill through both branches of Congress.

Mr. McNARY. Let me assure the Senator that I shall take no action which will unnecessarily delay the consideration of his bill. I am only seeking cooperation along a line which I think will be advantageous to the country. Inasmuch as the Commerce Committee is to report within a few days on a general plan, I suggest to the Senator that he do not push his bill until that time. I think he is entitled to have both the House and the Senate consider his bill. I always believe in giving every Senator who has a bill on the calendar an opportunity to be heard. I shall be glad at the proper time to cooperate with the Senator, but at this time I think it would be unfortunate to consider his bill and leave the omnibus bill yet to be considered.

That is the nature of the request I make to the Senator, and in it I think he should concur.

Mr. OVERTON. Mr. President, let me make a further observation, if the Senator will permit me to take up part of his time.

Mr. McNARY. I shall be very glad to yield to the Senator.
Mr. OVERTON. General Markham made his report to
Congress in February of last year as to a modification of
the Jadwin plan. The House Flood Control Committee considered that plan and held extended hearings thereon. No
bill was reported. In the meantime the work of execution
of the Jadwin plan, while it has not exactly ceased, has been
considerably abated.

Now let me make a further observation. As the Senator from Oregon very well knows, the omnibus flood-control bill relates, while not exclusively, very largely to the construction of reservoirs; and the thought back of the omnibus flood-control bill is to build such detention reservoirs in the headwaters of streams and their tributaries in order to prevent

floods. But the Jadwin plan, as proposed to be modified under the recommendations of General Markham, does not deal with reservoirs, except in one or two isolated instances, but is a well-considered, well-thought-out, successful plan of controlling the flood waters in the lower Mississippi Valley by a system of levees and floodways. It is the most economical plan that can be adopted; it is the most practical plan that has been suggested; and, if carried into execution, it will solve the flood-control problem of the lower valley.

I thank the Senator for yielding to me.

Mr. ROBINSON. Mr. President, there is no subject coming before this Congress of greater importance than that which is being generally discussed at this time.

The overflow of streams in the East and the Northeast during the past few weeks has brought upon peoples and communities deserving protection a situation which has confronted millions of people in the Mississippi Valley from the beginning of the history of the country.

Mr. WALSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Arkansas yield to the Senator from Massachusetts?

Mr. ROBINSON. I do.

Mr. WALSH. I desire to emphasize what the Senator has said about recent events awakening the country to an appreciation of the necessity for flood control.

We of New England have never thought that flood control was an activity of the Government which ought especially to interest us. Our streams have many dams upon them, built close together, and we have felt that these numerous dams would sufficiently protect us from flood; but we have had a terrible awakening.

I heard a man say the other day that the catastrophe which has recently happened to New England is the greatest catastrophe which has happened in the United States during the history of the country. That possibly may be exaggerated; but because our cities and towns are numerous and close together on our rivers, with a large number of mills built on their banks, mills which employ thousands of people, all of which have been damaged, and many hundreds of thousands thrown out of work, we have a very serious problem, aside from the tremendous damage to property.

I desire to emphasize what the Senator said—that even those portions of the country which did not realize before what flood control meant are now realizing it, and are desirous that some action be taken promptly to prevent the loss of human life and the destruction of public and private property and the increasing unemployment that have been the result.

I thank the Senator for permitting me to interject these statements.

Mr. ROBINSON. Mr. President, the people in the areas referred to by the Senator from Massachusetts are now, for the first time in my lifetime, conscious of the intensity and importance of the problem of flood control.

Mr. WAGNER. As a matter of national concern?

Mr. ROBINSON. Yes. There has been a disposition—it has been manifested in the past few months here in the Senate—to treat flood control as a matter of mere local concern.

In 1928 the Congress of the United States, by formal legislative enactment, declared the control of floods in the alluvial valley of the Mississippi River to be a national problem, and its legislation was based upon that principle and theory.

From 41 to 43 percent of the territory of the United States is drained through "Old Man River." No amount of activity or attention or sacrifice on the part of peoples dwelling within the basins of tributary streams can give protection against the combined wrath and force of the waters which are gathered from half the territory of the United States and emptied into the Gulf of Mexico through the Mississippi.

Flood control is recognized in the law referred to by the Senator from Louisiana and by myself in previous remarks as a national problem; but its importance has not been realized in many sections of the country, because persons living in those sections have not seen what a devastating

flood means. They have not listened through long, dark nights while the angry lightnings were flashing and the deep-voiced thunders rolling, to the rush and roar of maddened waters with force and power irresistible. Palaces and hovels have been swept away, persons enjoying abundance one day have been impoverished the next, all because of flood waters from streams.

A dam cannot be built in a navigable stream, a levee cannot be erected without interfering with the prerogatives of the Government. As the years have gone by, and the forests have been destroyed, the timber cut away and soil erosion increased and augmented, the problem has increased in magnitude. Floods now occur where they did not take place before; and during the very hours when Pittsburgh and Hartford, Conn., and thousands of other towns in the East were being washed away, dust storms occurred in other parts of the country, darkening the sun, indicating the existence of a condition which demands action not by a single community, not by a county, not by a State alone, but by all the communities and all the counties and all the States.

The Senator from Oregon [Mr. McNary] is right in the assumption that the problem ought not to be treated in a local way; but I am telling him what I believe he already knows when he thinks about it, that a sound flood-control policy applying to all the States and Territories cannot be formulated within a few hours. Millions of dollars must first be spent, and the best engineering brains at our command must be employed, to find out what can be done, and to determine what had best be done; and if we wait until the plan is complete for every section of the country, we shall have a recession of the tide of public opinion which will make for further delay.

Talk about the Commerce Committee of the Senate—composed, as it is, of some of the most intelligent and useful Members of this body—working out between now and Monday, and reporting, an adequate, sound bill for the control of floods throughout the United States. If we do not know any more about it than to assume that that can be done, we had better take up the primers again and resume our primary studies.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly.

Mr. FLETCHER. Assuming that it is desirable that there should be established a national policy on this subject, and that the flood-control bill now before the Commerce Committee will eventually outline that policy and determine what shall be done in building reservoirs, and all that sort of thing, in different places—different things in different localities—what has that to do with a project plans and specifications for which and the authorization for which have already been fixed? Whatever national policy may be developed in the omnibus bill will have to do for the future. Am I right about that?

Mr. ROBINSON. Certainly.

Mr. FLETCHER. And will not interfere with this project. Mr. ROBINSON. I was approaching that aspect of the problem, with a full consciousness of its importance. I resume where I left off, that however courageous, intelligent, and active our great committee may be, we need not expect it to report a bill next Monday, or even next month, which its members will regard and advocate as a complete plan for the control of floods throughout the United States. The most that can be expected—remember this—is a partial solution of the problem, recommendations for projects which have been surveyed, leaving important aspects of this subject for future study and determination.

I would give everything I possess in this world if there could be brought into this body, of which for a time I have the honor to be a Member, a measure which would be generally regarded as approximately correct, designed and calculated to give adequate or reasonable protection to the various communities in this country against the ravages of great floods.

The engineers usually require months, and in a few instances years, to make those researches and surveys which are essential to sound and wise procedure. We cannot go out and build a dam or a dike or a reservoir just where anybody may suggest that it should be. We must know, insofar as scientific knowledge can inform us, that if we raise a levee, or build a reservoir, if we provide a floodway, it will be effective for the purposes in mind; and in order to find out what levees and what reservoirs and what floodways are necessary many engineers must be called to service, and they must be given the time necessary to ascertain the facts and to reach conclusions.

Nothing would please me better than to have brought to the Senate next week, or tomorrow, if it were possible, a bill which you and I would say would do the work; but I know it is not going to be done, because it cannot be done; it is a physical impossibility.

Then the question arises whether we shall postpone all action until such a time as the countless hundreds, aye thousands, of streams in the United States will make it possible for the Congress to determine what works are

In 1928 Congress adopted as a national policy flood control in the Mississippi Valley. It had a general plan for the control of floods on the streams that has scarcely been touched. Very little has been done toward carrying out that plan insofar as the tributaries of the Mississippi are concerned.

The project for control in the lower Mississippi Valley is proposed to be modified by the Overton bill in accordance, in most particulars, with the best judgment of the engineers. It is not necessary to wait until a survey has been made of a river in Maine or Massachusetts to know what to do there. We know what is necessary to be done. We have the technical information required. If we wait until all the surveys which will be necessary have been made and all the projects which will be required have been approved by the Congress, we will see flood after flood; we will see Red Cross ambulances with their beautiful emblems dashing along the highways carrying relief. In the meantime hundreds of lives will be lost and millions of dollars worth of property will be destroyed.

In the floods which have taken place in the East and the Northeast during the last week or 10 days it is estimated that more than \$300,000,000 worth of property has been destroyed.

Mr. WALSH. Without any insurance.

Mr. ROBINSON. And more than 178 lives have been lost. Of course it is right, and of course it is necessary, to work out and put into effect programs to prevent the recurrence of such calamities. But we cannot do it tonight; we cannot do it tomorrow. The best that can be hoped for, responding to all the impulses that are prompted by present and recent occurrences, is that considerable time will be required before plans are ready and before we can know what we ought to do and what can be done. As fast as they are ready and as fast as you know what ought to be done, let me help you, if you please, to accomplish what is desired to be accomplished.

I have been in the habit of giving study to this subject for the past 30 years. My own eyes have witnessed some things which my memory often recalls. During the great flood of 1927 I received many telegrams to come to a certain city in the flood district, and I went there and asked what I was expected to do. The people there said, "We thought perhaps you could help maintain the morale of our people, that you could make some speeches at public meetings within this flood area. But first let us take you out on the river and show you what is occurring."

We drove out a concrete highway, built at local expense, to a point where the levee was threatened with a break, and on the way down they said: "No automobile passes over this highway except it is requisitioned for work in the flood. Sightseers have been coming here from adjoining States. We take them out of their automobiles, give them picks and shovels, and tell them to go to work on the levees. Our women have left their homes and are out here in tents cooking and taking care of flood refugees."

I saw women carrying emaciated little children in their arms, white and black, administering food and medicine to them and trying at times to lull them to sleep, and all the while the current was flowing in against the levee, and men were working and relieving each other in shifts, staying right there. The town had almost been abandoned. No one knew what the result would be.

By accident, some person suggested a simple plan. He suggested that cotton bagging be laid against the levee and that rock and dirt be piled on it, using it as a kind of revetment; and, fortunately, it held.

After 2 or 3 days I went back; and on every mound that appeared above the surface of the water I saw groups of women and children gathered about little fires, partaking of food that had been supplied to them. Here and there I saw men and women still at work. A song of triumph was going up from the hundreds of black men working on the levee. A shout of joy was reverberating through the overflowed region. The effort succeeded.

Since I witnessed that incident I have been ready to do everything within my power to provide protection to the communities that are threatened with destruction by the waters of rivers owned by the United States.

It seems to me that the wise and the fair thing to do is to go forward with determination, taking all the advice that can be obtained from all the scientific agencies that are available in the Government and from private sources. Obtain the information that is necessary to formulate comprehensive plans; but, in the meantime, when a plan has been made and agreed on, do not wait for another overflow before taking action to prevent overflows. Proceed as soon as we are ready to proceed. If we do that, in the course of a few years we shall have in effect a comprehensive program for the control of floods throughout the United States.

Mr. DUFFY. Mr. President, I am today in receipt of a copy of a letter published in the Milwaukee Journal, Milwaukee, Wis., written by O. J. Gromme, a prominent citizen of Milwaukee, who discusses very interestingly the question of flood control. I think this is an appropriate place in the RECORD to have that letter set forth; and I, therefore, ask unanimous consent that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

MILWAUKEE PUBLIC MUSEUM, March 24, 1936.

To the CITY EDITOR:

This morning the newspaper headlines are screaming the plight of the people engulfed in the great flood and showing pictures from its scenes of horror and devastation unparalleled in the history of our country. Walls of water beyond human control are tory of our country. Walls of water beyond human control are causing an appalling loss of life and property and all attempts to causing an appalling loss of life and property and all attempts to stem the flow are futile. Strange as it may seem, at the same time Milwaukeeans while reading this morning's news are choking in a cloud of yellow dust which all but blots out the sun. In our own country we are at the same time the victims of two of Nature's greatest cataclysms—drought and flood. It hardly seems possible that in this age of enlightenment and scientific knowledge civilized man will permit Nature's furies to engulf him. Here in Wisconsin we feel quite content in the false security and belief that we are far removed from scenes of drought and flood. Scientists remind us that the encroachment is rapidly

and flood. Scientists remind us that the encroachment is rapidly creeping northward and the dust that is choking us today is the precious top soil borne to us by the wind out of drought-stricken areas. Often do we hear the remark, "Poor drought- and flood-stricken China." I wonder if the unpleasant reminders of today right here in our midst do not nextly there where the surtoday right here in our midst do not pretty thoroughly show us up in the same light to the Chinese and particularly to nations progressive in the vital function of conservation of natural

resources, particularly water and forest resources.

Frantic efforts are being made by the Government to aid our unfortunates in time of distress. The cry right at this moment is for fortunates in time of distress. The cry right at this moment is for bigger and better levees and deeper channels through which our precious water and top soil is to be delivered via fast express to help build up the Mississippi Delta and add more water to the floods. Millions and millions are to be spent for this type of engineering. I wonder if it has ever occurred to our Army engineers that the way to check floods is at their source. When a doctor is conferented with an infection, he usually looks for the cause. confronted with an infection, he usually looks for the cause. It seems to me and to many others who have given the above problems most serious consideration, that both flood and drought can be checked right here in our Northern States. Now, to put the horse before the cart for a change, we can have permanent relief instead of a patchwork of temporary salving in the form of levees and channels. In time the gradual deposition of silt and continuous and expensive raising of levees in the South will make aqueducts instead of rivers of our southern waterways and at the same time will give us no relief as a whole.

If again we place the horse before the cart, the logical sugges-tion would be the impounding of flood waters right here in Wisconsin and other Northern States where wise Nature made lavish provision in the form of millions of acres of natural reservoirs and other millions of acres for forest growth. In both cases our senseless and wasteful method of deforestation and so-called marsh reclamation have proven that the land originally intended by Nature for that purpose can adequately serve that purpose only. In Horicon alone our State could, for example, impound 44,000 acres of water at depths varying from 1 to 6 feet. Cut up by drainage ditches as it now is, the consequent rapid outflow is most certainly not relieving the flood situation in the South. All drained marshes in northern United States added together will

give us the sum total of the great flood.

Humanity will be far better served by the temporary flooding of marginal and useless farmland than pouring the water in a devastating current down the main street of some American metropolis. With restoration of all our northern United States marshes and the natural basins, these tremendous areas can be made to give up impounded water during the summer drought and productly during triangles. gradually during winter months, and made ready to hold the overflow of spring freshets. The whole scheme is so simple that to neglect such an opportunity in the face of disaster would be laughable if it were not so tragic. The function of forests in shading snows from too rapid melting and from the standpoint of

moisture absorption is too well known to cite here.

Certain of our economists and legislators propound numerous ideas to place money into the hands of the needy farmer. Could not some of this money be made to serve a manifold service of distribution of wealth and at the same time a redistribution and permanent maintenance of water levels and flood relief? Flood control must be national and not the plaything of prejudice and, still worse, local politics. Would it not be wise, economical, and timely that the United States take over definite control of all overflow basins in all States? Outright purchase of submarginal marsh-lands will aid the needy farmer and give Government control to floodwaters at their source and not lack of control where the damage is being done.

It is a well-known fact that it takes water to make rain and that rain clouds sometimes travel thousands of miles before giving their moisture back to Mother Earth. If we are to have evenly distributed rainfall and real flood control, we shall be very wise to recreate or restore our natural water levels by undoing the damnable work done by drainage and by standing solidly behind a Nationwide reforestation program. Here is an opportunity for Government and State to realize an experience of the standard of wide reforestation program. Here is an opportunity for Government and State to realize an enormous return on an investment made now while we have opportunity to receive money under the Works Progress Administration. Road building is expensive and most worthy, but it seems that we are facing another national emergency from floods and the encroachment of desert conditions. It will take milions of men to rebuild the damage done by drainage and deforestation. We would, indeed, be wise to repair this damage now and, as I see it, we have a most excellent opportunity in our State. in our State.

O. J. GROMME, Milwaukee Public Museum.

Mr. NORRIS. Mr. President, inasmuch as our illustrious and able leaders on both sides of the Chamber have violated the 5-minute rule under which we are now proceeding, I suppose if a similar violation shall take place on the part of one of the rank and file there will not be any objection to it.

Mr. ROBINSON. Not at all.

Mr. NORRIS. Mr. President, the subject of flood control, in my judgment, is the most important subject for Nationwide discussion. I desire to call attention, as I have often done before, to the fact that the proper way to control floods is to consider streams as a whole, and to build the necessary dams with reference to the complete control of the entire streams.

If we begin now with a systematic control of our flood waters, it probably will take 100 years before the job will be finished; but we shall begin to get the benefits of it within a short time after we commence that kind of control.

I desire for just a moment to discuss the great Mississippi River Basin. As I see it, one of our major undertakings should be the control of the floodwaters of the streams of the Nation. There ought to be projects of a similar nature on the Pacific coast, on the Atlantic coast, perhaps on the Gulf of Mexico, perhaps on some of the Great Lakes; but the Mississippi River Valley flood-control project probably will be greater than any other.

Since I have been in public life we have spent literally hundreds of millions of dollars in trying to control the floods of the Mississippi by building levees on the lower stretches of the river. A systematic control running over years, with a view of making as far as we can a complete control, would,

as I see it, mean that we should begin on the tributaries of the Mississippi River, and wherever nature has made a place for a large reservoir we should hold a large amount of floodwaters, and utilize those, commencing with the largest ones, and continuing from year to year as we were able to expend the money to hold back other floods in other areas and other tributaries, doing that systematically after a careful survey and investigation by competent engineers, and in that way controlling the major part of the floods that do damage in Mississippi and Louisiana.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. WALSH. Confirming what the Senator has just said, only yesterday the Army engineers made a report on flood control of the Connecticut River. The greater portion of the damage done by the Connecticut River was to the cities on the lower portion of the river-Hartford, Springfield, Holyoke, Chicopee, Northampton, Greenfield, and adjoining towns. The Army engineers propose the construction of 10 reservoirs. Where would those reservoirs be located? Up in Vermont and New Hampshire, miles and miles away from where the river damage was done.

Mr. NORRIS. Exactly. I believe that is the proper scientific way, and, in fact, the only way, in which we eventually shall control the floodwaters of our inland waterways.

Incidentally, Mr. President, it will be found that flood control is intimately connected with navigation; and, as I see it, and as I read the Supreme Court decisions, we shall have to connect flood control with navigation in order to make our legislation constitutional. I think we can easily do this, because it follows as night follows day that if we should control all the floodwaters of the Mississippi River and its tributaries, every reservoir we provided with a dam in front of it to hold back the floodwaters would improve the navigation of the Mississippi River, and make navigable some of its tributaries that now are not navigable, and improve the navigability of other tributaries. So the two purposes will dovetail, navigation being the basis, the constitutional peg upon which will hang flood-control legislation, for it will improve navigation in the great West, the land to the west of the Mississippi River. Another object might be added, namely, irrigation.

Mr. President, the best way in the world to store floodwaters is to store them in the soil. We cannot store all the waters in the soil, but irrigation projects will take up a great deal of the floodwaters. Flood control and navigation are proper charges against the Federal Government. Irrigation projects would in part be paid for by those who use the water, thus putting it to a beneficial use instead of permitting it to do damage farther down in the Mississippi River Valley.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. HATCH. In connection with the suggestion as to irrigation, would not the use of water for irrigation purposes also help to solve another problem, that of dust storms?

Mr. NORRIS. Exactly. There is another thing which will fit into the program of flood control. If, on a given river, we systematically hunt out the basins that will hold flood waters, and build dams at their mouths to hold the flood waters, we shall generate in the aggregate an enormous amount of electric power. So, again, we come to an element that will help pay the expenses of the operation of the billnavigation, irrigation, flood control, production of power, all put together, allocating to each one that part of the cost which should properly go to that particular element.

I was today told by the junior Senator from Pennsylvania [Mr. Guffey], who honors me with his presence and attention, about a flood-control dam in Pennsylvania. I had asked him how many acre-feet that dam would hold. Today he gave me information to the effect that it would hold something over 900,000 acre-feet. That is a large amount of water, but when it is compared with all the floodwaters of the Mississippi Basin it is small. We would have to have many such dams, as the Senator from Massachusetts [Mr. WALSH] has said, but in the Allegheny Mountains, on the Monongahela River, on the Allegheny River, and on some other tributaries, other reservoirs could be located after proper survey where 500,000 or 700,000, or even less, acrefeet of water could be held back. If they were all put together, we would lessen the great danger of floods at Pittsburgh. When we lessen that danger at Pittsburgh we likewise lessen the danger at New Orleans.

Putting these thousands of things together we will have practically controlled the floods on the Mississippi River. We will have relieved the lower stretches of the Mississippi Valley from the damage which occurs every year or so from floods.

Mr. President, we have undertaken in one instance which I am now going to cite to develop a stream in a scientific way. I refer to the Tennessee River. Two or three years ago when we passed the Tennessee Valley Act the constitutional peg upon which that legislation hinged was to make the Tennessee River navigable. In order to make it navigable we built flood-control dams. We have just now completed a dam known as Norris Dam on one of the tributaries of the Tennessee River. That dam will hold back 3,500,000 acre-feet of water. That means water which would cover 3,500,000 acres 1 foot deep. We have authorized the construction of a flood-control dam at Hiawatha, which will not hold as much water as Norris Dam, but it will be comparable.

Another storage dam can be built on the Little Tennessee River which would store almost the same amount of water. Several other projects, known from flood-control surveys, would make the flow in the Tennessee River almost continuous the year around. The Tennessee River has the fault of most of the streams, particularly in the South, of getting very low and very high, too high for navigation a portion of the year and too low for navigation the remainder of the year. The other dams built on the streams are not of very great value as flood-control projects, but are necessary as navigation projects, and when they are all constructed and all put together under the law Congress has enacted will constitute a scientific demonstration of what we can do by an orderly system and by proper legislation in the control of the flood waters of any stream.

Incidentally, in the Tennessee River a large amount of power is developed. That has been the prominent point of discussion in connection with that project.

Some have believed there was nothing involved in the legislation but the production of power. However, power was only a byproduct. The navigability of the Tennessee River was the primary object and the constitutional object of the legislation. Power came as a necessary incident.

It will be the same with all the other streams if we develop them scientifically, as we can. For instance, we are now building a dam in Montana at Fort Peck, on the Missouri River, which when it is finished will hold back somewhere in the neighborhood of 17,000,000 acre-feet of water. We have just completed a dam at Boulder, Colo., which will form a lake 150 miles long and 700 to 800 feet deep at one end, holding back flood waters which have been pouring for hundreds of years, yes, for millions of years, down into the valley, destroying property, destroying human life. Now the water is going to be harnessed for the benefit, happiness, and comfort of mankind.

We can do this with every other stream in the United States. We can do this with the Mississippi River. We ought to go at it systematically. It will take years to complete the work. I understand, from talking with engineers, that there is a location on the Ohio River where a flood-control sam can be built which will be very expensive because of the land which it will overflow being well settled and cultivated. But if it had been built that one dam would have taken the crest of the last flood on the Mississippi River and saved hundreds of lives and hundreds of millions of dollars' worth of property from destruction.

I look forward to the time when this great work will be undertaken. I do not expect to be here to see it finished, but I hope to see us start on the Mississippi Valley and, in a scientific way, harness the floodwaters that come from the sources, on the west from the Rocky Mountains and on the east from the Allegheny Mountains. We shall find in many

cases, perhaps in most cases, that the dams that will control the floods will be constructed near the sources of these tributaries. We shall never make the system perfect. I realize that there always will be local floods, local rains; but the great damage which has come about in the past has resulted from floods coming from one direction happening to meet in the stream floods coming from the other direction; and in such cases danger and destruction of property and human life always result.

Mr. TYDINGS. Mr. President-

Mr. NORRIS. I yield to the Senator from Maryland.

Mr. TYDINGS. Without discussing the merits of the flood-control question, I should like to ask the Senator if he does not think this consideration is worth while:

All States receive W. P. A. and P. W. A. work projects on somewhat of a general equation, so that the work shall be evenly distributed according to unemployment, and each State shall be treated generally in line with the treatment accorded other States.

So long as that policy holds, if one State shall receive in addition thereto twenty-five or thirty million dollars for flood-control projects, it is my thought that an equation ought to be worked out so that the work afforded by the twenty-five or thirty million dollar flood-control appropriation shall count against the W. P. A. or P. W. A. appropriation for that State. Otherwise we shall have spent by the Federal Government for work in one State twice as much money as is allotted to another State with no flood-control project in it, even though the latter State may have five times as much unemployment as the former State.

I simply bring out that point, not to take issue with what the Senator from Nebraska is saying, but to show the widespread effect and necessity of a comprehensive plan.

Mr. NORRIS. I think there is much in what the Senator says. However, I was not discussing the subject from the P. W. A. standpoint. I was discussing it from what I believe to be the scientific, efficient standpoint that must be adopted if we are to protect this country from damage by floods.

Mr. President, when we put all these things together—irrigation wherever it can be used, flood control, navigation, the control of dust storms which will to a great degree enter into the matter, and the development of power—and see how they all dovetail together and how each one helps out the other, it seems to me we shall see how it is possible to carry out a uniform method of controlling the floods of all the streams of the United States and making the streams navigable. Do not forget that.

What does this plan mean in the Mississippi Valley? It means, if we carry it out, that a boat may start from Knoxville, Tenn.—it may almost do so now; with one or two more dams in the Tennessee River it will be possible—and go to St. Paul, New Orleans, or Pittsburgh. In the end, Mr. President, we shall have the most complete system of cheap inland transportation that there is in the world, so all these things will work together for the harmony and the happiness of all the people in that great valley. The same thing may be said of almost any other valley on the Atlantic coast or on the Pacific coast.

Mr. OVERTON. Mr. President, will the Senator yield? Mr. NORRIS. I yield.

Mr. OVERTON. I agree with what the Senator has said with reference to reservoirs on the tributaries of the Mississippi River. However, the construction of reservoirs as flood-control factors, according to the statements made by the engineers, will not in itself be sufficient to deal with the problem.

Mr. NORRIS. Let me interrupt the Senator there.

I was a Member of this body when there came into it the authorization of an appropriation of \$10,000,000 to prevent damage from floods of the Mississippi River. I offered an amendment, which on a roll call lacked only two or three votes of being adopted, providing for the payment by the Federal Government of one-half the cost of any irrigation dam built in the West in a stream whose waters, if it had not been for the dam, would have gone into the Mississippi River. That amendment was defeated. So far as I know,

that was the beginning of the agitation of flood control by building dams wherever the proper area could be obtained to hold back enough floodwaters to pay for building the

The Army engineers, however, laughed at me. The Army engineers said I was silly; I was foolish. They said that the flood waters could not be held back in that way. Now we are getting a following. We have just been told by the Senator from Massachusetts [Mr. Walsh] that in order to prevent a recurrence of the recent flood in the valley of the Connecticut River the Army engineers propose to go away back into the mountains to construct flood-control dams.

Mr. WALSH. And build 8 or 10 reservoirs.

Mr. NORRIS. And build 8 or 10 reservoirs to do it. That idea is not silly now. Those who were called dreamers, who once advocated the idea, are now sometimes even admitted into respectable society. The engineers formerly laughed at the idea, however, and said that what was proposed could not be done, and wished to build dikes and levees and let the water come down from all over that great valley and rush through a little bottle neck at New Orleans.

I do not object to building levees. I do not object to building additional channels to let the water out. That may be necessary; but the great floods which cause the greatest damage of all are going to be controlled by holding water in reservoirs that God Almighty has made, and letting it out when it is needed instead of its being let out when it will

damage and destroy human life and property.

Mr. OVERTON. Mr. President, I agree with what the Senator from Nebraska has said; but I simply desire to call attention to the fact that, notwithstanding all the reservoirs that may be built upon the tributaries of the Mississippi, we shall still have floods in Louisiana and Arkansas and Mississippi and Missouri and down the alluvial valley unless the work proposed under the Jadwin plan and the Markham plan shall be completed.

Mr. ASHURST. Mr. President, when the able Senator from Nebraska [Mr. Norris] rose, he suggested, with that gentle and good-humored sarcasm for which he is so justly famous, that several Senators had violated the rule by

speaking over 5 minutes.

I have not this afternoon interpreted the occasion as one limiting Senators to 5 minutes; so, while the Senator's sarcasm was gentle and always good-humored, I do not believe it struck the mark. Moreover, I am of opinion that the Senators who this afternoon have discussed the flood menace, and have discussed the methods of controlling floods, have made a valuable contribution.

I now rise to suggest that after this most illuminating discussion, to which I have listened with information and enlightenment, I assume that the Senate will go right through with the calendar, because some of us have waited here for many hours hoping that bills in which we are interested may come up.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. ASHURST. Certainly. Mr. ROBINSON. I do not believe it will be possible to complete the consideration of the calendar today. It is my purpose to ask unanimous consent that the present order shall be continued tomorrow until it shall be concluded, if that will be satisfactory.

Mr. ASHURST. Mr. President, I feel like apologizing to every Senator for making such a request, but I have a bill which is in the nature of an emergency measure. It is a very small bill, but it is, I might say, at the tail end of the calendar, and I hope I am not presuming-

Mr. FLETCHER. I have one there, too. Mr. ASHURST. Then I shall not seek for myself a privilege to which others are equally entitled.

Mr. BORAH. Mr. President, we may proceed for a time yet, may we not?

Mr. ROBINSON. Yes; we may proceed for a few min-

Mr. ASHURST. Then I ask for the regular order.

The PRESIDING OFFICER. The clerk will state the next bill in order on the calendar.

SITE FOR NAVAL AIR STATION, MIAMI, FLA.

The bill (H. R. 8372) to authorize the acquisition of lands in the vicinity of Miami, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon was announced as next in order.

Mr. KING. Mr. President, there is some merit in this bill, and the Acting Secretary of the Navy has suggested a substitute for it. If the substitute is agreed to, I shall not object to the passage of the bill; but unless the substitute is agreed to, I shall object to the consideration of the

Mr. FLETCHER. Mr. President, I note that the substitute to which the Senator refers is at the end of the report on the bill, and it was evidently considered in the House when the bill was acted on in the House. This is a bill which was passed in the House and was reported unanimously by the Committee on Naval Affairs of the Senate. I would not feel justified in accepting an amendment such as that suggested by the Senator. I would rather have the bill go over and take it up at another time if he insists on having it go over. Mr. KING. That will be agreeable to me.

The PRESIDING OFFICER. The bill will be passed over.

ACQUISITION OF LAND AT FORT ETHAN ALLEN, VT.

The bill (S. 3411) to authorize the acquisition of land for military purposes at Fort Ethan Allen, Vt., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to acquire, by purchase, condemnation, or otherwise, approximately 3,000 acres of land located in the State near the Fort Ethan Allen artillery range, for use in enlarging the artillery range and for other military purposes. The purchase price of such land shall not exceed \$175,000, and such land shall be warranted free of all encumbrances and when purchased shall be a part of Fort Ethan Allen.

#### THOMAS F. GARDINER

The bill (H. R. 8110) for the relief of Thomas F. Gardiner was considered, ordered to a third reading, read the third time, and passed.

## EXAMINATION OF SAN JUAN RIVER

The bill (S. 3488) to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to cause an examination and survey to be made to determine the best utilization of the surplus waters of the San Juan, a tributary of the Colorado River, surplus waters of the San Juan, a tributary of the Colorado River, and to determine the best possible use of such waters in the San Juan Basin without injury to the present users of the waters of the San Juan River and by diversion if feasible of a portion of such surplus waters to the Rio Chama, a tributary of the Rio Grande River, and to report the results of such surveys and examinations to the Congress as soon as possible. There is authorized to be appropriated the sum of \$50,000, or so much thereof as may be necessary, to carry out the purposes of this act.

#### RESOLUTION AND BILL PASSED OVER

The resolution (S. Res. 239) to investigate the circumstances attending the removal of Maj. Gen. Johnson Hagood from command of the Eighth Army Corps Area was announced as next in order.

Mr. ROBINSON. Let that go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 70) for the relief of agriculture, the producers of livestock, and the producers of raw materials generally, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

#### HENRY THORNTON MERIWETHER

The bill (S. 3581) for the relief of Henry Thornton Meriwether was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to order Henry Thornton Meriwether, formerly commander, United States Naval Reserve Force, to appear before a naval retiring board for the purpose of determining whether or not the disability complained of in his case originated in the line of duty in time of war: Provided, That if said naval retiring board finds that the said Henry Thornton Meriwether is now suffering from a disability incurred in the line of duty in time of war which renders him unfit to perform all the duties of the grade of commander, United States Naval Reserve Force, in time of war, the President be, and he is hereby, authorized to appoint Henry Thornton Meriwether a commander, United States Naval Reserve Force, and to place him on the retired list of the Navy with the retired pay and emoluments of that grade: Provided further, That no back pay, allowances, or emoluments shall become due because of the passage of this act. come due because of the passage of this act.

#### NAVY CROSS TO J. HAROLD ARNOLD

The Senate proceeded to consider the joint resolution (H. J. Res. 179) authorizing the President to present in the name of Congress a Navy Cross to J. Harold Arnold.

Mr. KING. Mr. President, I call the attention of the Senator from Massachusetts to the fact that the Navy Department opposes this joint resolution.

Mr. WALSH. Mr. President, I may say that I did not become acting chairman of the committee while this measure was under consideration.

Mr. KING. Does the Senator object to its going over, in view of the opposition of the Department?

Mr. WALSH. I do not object.

Mr. KING. Let it go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

AWARD OF DECORATIONS TO CERTAIN BRITISH NAVAL OFFICERS

The Senate proceeded to consider the bill (H. R. 11053) authorizing the President to present the Distinguished Service Medal to Commander Percy Tod, British Navy, and the Navy Cross to Lt. Comdr. Charles deW. Kitcat, British Navy, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 4, to strike out "Tod" and insert in lieu thereof "Todd", so as to make the bill read:

Be it enacted, etc., That the President is authorized to present the Distinguished Service Medal to Commander Percy Todd, Brit-ish Navy, and the Navy Cross to Lt. Comdr. Charles A. deW. Kitcat, British Navy, in recognition of the skill and heroism displayed by these officers when the United States ship Fulton, en route from Hong Kong, British Crown colony, to Foochow, China, on March 14, 1934, was destroyed by fire.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act authorizing the President to present the Distinguished Service Medal to Commander Percy Todd, British Navy, and the Navy Cross to Lt. Comdr. Charles A. deW. Kitcat, British Navy.

# RELIEF OF WATER USERS ON RECLAMATION PROJECTS

The Senate proceeded to consider the bill (S. 4232) to create a commission, and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects, which was read, as follows:

Be it enacted, etc., That there is hereby created a commission to Be it enacted, etc., That there is hereby created a commission to be composed of three members, one of whom shall be appointed by the Secretary of Agriculture from the personnel of the Department of Agriculture, and two of whom shall be appointed by the Secretary of the Interior, one from the personnel of the Department of the Interior, and one who shall be a landowner and water user under a United States reclamation project. The commission is authorized and directed to investigate the financial and economic condition of the various United States reclamation projects, with particular reference to the ability of each such project to make payments of water-right charges without undue burden on the water users, district, association, or other reclamation organization liable for such charges. Such investigation shall include an examination and consideration of any statement filed include an examination and consideration of any statement filed with the commission, or the Department of the Interior, by any such district, association, or other reclamation organization, or the water users thereof, and, where requested by any such district, association, or other reclamation organization, said commission shall proceed to such project and hold hearings, the proceedings of which shall be reduced to writing and filed with its report. Said commission, after having made careful investigation and study of the forest land companies condition of the virging united States. the financial and economic condition of the various United States reclamation projects and their probable present and future ability

to meet such water-right charges, shall report to the Congress, at the beginning of the Seventy-fifth Congress, with its recommendations as to the best, most feasible, and practicable comprehensive permanent plan for such water-right payments, with due consideration for the development and carrying on of the reclamation program of the United States, and having particularly in mind the probable ability of such water users, districts, associations, or other reclamation corresponding to meet such water-right charges required. reclamation organizations to meet such water-right charges regularly and faithfully from year to year, during periods of prosperity and good prices for agricultural products as well as during periods of decline in agricultural income and unsatisfactory conditions of agriculture.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$25,000, which shall be available for expenditure, as the Secretary of the Interior may direct, for expenses and all necessary disbursements, including salaries in carrying out the provisions of this act. The commission is authorized to appoint and fix the compensation of such employees as may be necessary for carrying out its functions under this act without regard to civil-service laws or the Classification Act of 1923, as amended.

SEC. 3. That all of the provisions of the act entitled "An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law", approved April 1, 1932, as amended, as relate to the deferment of payment of certain water-right charges, be, and all of the provisions thereof are hereby, further extended in like manner to all similar charges coming due for the year 1936: Provided, That water users accept-SEC. 2. There is hereby authorized to be appropriated, out of

are hereby, further extended in like manner to all similar charges coming due for the year 1936: Provided, That water users accepting the benefits of the relief extended by this act shall pay interest on deferred payments at the rate of 2 percent from the date when said payment became due to and including the date of the expiration of the period of relief granted hereunder, said interest to be paid at the time of payment of the said water-right charges for 1936.

SEC. 4. The Secretary of the Interior is authorized and directed to extend to water users on Indian irrigation projects during the calendar year 1936 like relief to that provided in the acts of January 26, 1933 (47 Stat. 776), and March 3, 1933 (47 Stat. 1427), applicable to the calendar years 1931, 1932, and 1933: Provided, That water users accepting the benefits of the relief extended by this act shall pay interest on deferred payments at the rate of 2

That water users accepting the benefits of the relief extended by this act shall pay interest on deferred payments at the rate of 2 percent from the date when said payment became due to and including the date of the expiration of the period of relief granted hereunder, said interest to be paid at the time of payment of the said water-right charges for 1936.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. BORAH. I do not think it needs an explanation, but I will be glad to make a statement.

Mr. McKELLAR. I do not see any report on the bill in my file.

Mr. BORAH. Mr. President, this bill has to do with the extension of the moratorium to reclamation projects for 6 months. The House has passed a bill upon the same subject. It is my purpose to offer certain amendments which will expedite the passage of the measure by the House.

Mr. McKELLAR. It merely extends the time 6 months?

Mr. BORAH. Six months.

Mr. McKELLAR. I shall not object.

Mr. BORAH. In line 4, page 1, I move to strike out the words "one of whom shall be appointed by the Secretary of Agriculture from the personnel of the Department of Agriculture, and."

The amendment was agreed to.

Mr. BORAH. On line 6, I move to strike out the word "two" and to insert in lieu thereof the word "all."

The amendment was agreed to.

Mr. BORAH. In line 7, I move to strike out the word 'one" and to insert in lieu thereof the word "two."

The amendment was agreed to.

Mr. BORAH. On page 3, line 7, I move to strike out '\$25,000" and to insert in lieu thereof "\$5,000."

The amendment was agreed to.

Mr. BORAH. Mr. President, I move to strike out all of section 3 and to insert in lieu thereof a bill which was passed by the House of Representatives, which I send to the desk.

The PRESIDING OFFICER. The amendment will be

The CHIEF CLERK. On page 3, beginning with line 15, it is proposed to strike out all of section 3 and in lieu thereof to insert the following:

SEC. 3. That all the provisions of the act entitled "An act to further extend relief to water users on the United States reclamation projects and on Indian irrigation projects", approved June 13, 1935, are hereby further extended for the period of 1 year, so far as concerns 50 percent of the construction charges, for the calendar year 1936: Provided, however, That where the construction charge for the calendar year 1936 is payable in two installments the sum hereby extended shall be the amount due as the first of such installments. If payable in one installment, the due date for the 50 percent to be paid shall not be changed.

Mr. KING. Mr. President, will the Senator explain the full implications of the amendment?

Mr. BORAH. The bill which is before the Senate provides for a moratorium of 1 year.

Mr. KING. I thought it was for 6 months.

Mr. BORAH. The effect of the amendment is a moratorium of 6 months. The House passed the bill providing for a moratorium of 6 months, and I have accepted the House amendment, so that it will make the bill when passed provide for a moratorium of 6 months.

Mr. KING. Does it extend to all reclamation projects?

Mr. BORAH. To all reclamation projects.

Mr. KING. Regardless of the capacity and the ability of some persons enjoying the reclamation projects to make payments? Does it exonerate all of them from payments?

Mr. BORAH. We have incorporated in the bill a provision for the appointment of a committee to determine how much can be paid by the respective projects at the end of 6 months.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### ARMY DAY

Mr. McNARY. Mr. President, if I may have the attention of the Senator from Arkansas, may we not suspend operations under the agreement heretofore entered into until tomorrow?

Mr. SHEPPARD. Mr. President, will not the Senator allow the next measure on the calendar to be passed? It is a concurrent resolution recognizing April 6, 1936, as Army Day. It is very necessary that the concurrent resolution be passed at the earliest possible moment.

Mr. ROBINSON. Mr. President, I do not object to the consideration of the concurrent resolution; but I do not know whether I am in favor of it or not; I have not read it.

Mr. SHEPPARD. It carries no appropriation. It recognizes April 6 as Army Day, as has been done for several years.

The PRESIDING OFFICER. The next order of business will be stated.

The concurrent resolution (S. Con. Res. 30) to recognize April 6, 1936, as Army Day, was announced as next in order.

Mr. WHEELER. Let that go over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

DISTRICT COURT FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

Mr. ASHURST. Mr. President, if any Senator thinks I am presumptuous at this juncture, I shall not be offended if objection is made, but the Department of Justice has for some time in a proper way urged upon me to try to secure the passage of House bill 11098, to provide for terms of the United States District Court for the Middle District of Pennsylvania, to be held at Wilkes-Barre, Pa.

Mr. President, the Committee on the Judiciary of the Senate authorized me at its meeting last Monday to attach to this measure the bill which has heretofore passed the Senate, providing for two additional district judges for the southern district of New York, which bill has been recommended and urged by the Judicial Council three times and has passed the Senate. There are eight judges in the territory involved, and last year each judge tried or disposed of 655 cases, which, I submit, is a large amount of work. I ask unanimous consent for the present consideration of the bill. I would not ask for the consideration of the amendment except for the fact that on the 20th of last August the Senate passed a bill which I am proposing to add as an amendment.

Mr. KING. I have no objection to the consideration of the

bill; but if the Senator desires to attach to it the amendment to which he refers. I shall object.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF SECTION 12B OF FEDERAL RESERVE ACT

Mr. FLETCHER. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 1794, being Senate Joint Resolution 230. I am obliged to leave the Senate Chamber. I have been waiting all day in the hope the joint resolution would be reached. It merely proposes to amend the provision of paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended.

The law at present provides that the rights given shall expire on July 1, 1936; and the committee has reported this joint resolution extending the time to 1938. After quite a full hearing, the joint resolution was unanimously reported by the committee, and it is desired to have action on it now, because the time will soon run out.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

Mr. McNARY. Mr. President, I do not like to object to the request, but I think we should either proceed with the calendar or conclude the session.

Mr. ROBINSON. I may say to the Senator from Oregon that the Senator from Florida has been present in the Senate Chamber all day, and is anxious to have this measure considered, if it is to be considered under the present order. With that in mind, I consented to his making the request. However, following action on the request of the Senator from Florida, I shall make a request for unanimous consent and then move a recess.

Mr. McNARY. In view of that statement, I have no reason to interpose an objection to the request of the Senator from Florida.

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 230) amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended, is amended by striking out "July 1, 1936" and inserting in lieu thereof "July 1, 1938."

## ORDER FOR RECESS AND CONSIDERATION OF CALENDAR

Mr. ROBINSON. Mr. President, I ask unanimous consent that when the Senate completes its labors today it take a recess until 12 o'clock noon tomorrow, and that upon the convening of the Senate tomorrow it proceed to the conclusion of the order now in progress.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

#### EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably Executive A, Seventy-fourth Congress, second session, a convention between the United States of America and the United Mexican States for the protection of migratory birds and game mammals, signed at Mexico City, February 7, 1936, and submitted a report (Ex. Rept. No. 1) thereon.

He also, from the same committee, reported favorably the nominations of sundry officers for promotion in the Foreign Service.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Thomas Parran, of New York, to be Surgeon General of the Public Health Service for a term of 4 years, vice Hugh S. Cumming, term expired.

Mr. LONERGAN, from the Committee on Finance, reported favorably the nomination of Richard D. O'Connell, of Connecticut, to be State director, National Emergency Council, for Connecticut.

Mr. VAN NUYS, from the Committee on the Judiciary, | reported favorably the nomination of Lamar Hardy, of New York, to be United States attorney, southern district of New

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

#### POSTMASTER IN ARKANSAS

Mr. McKELLAR. By direction of the Committee on Post Offices and Post Roads, I also report favorably the nomination of Harris H. Parr to be postmaster at Eudora, Ark. I call the attention of the Senator from Arkansas [Mr. Robinsonl to this nomination, as I think he desires to make a request concerning it.

Mr. ROBINSON. I ask unanimous consent for the present consideration of the nomination.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the clerk will state the nomination.

The legislative clerk read the nomination of Harris H. Parr to be postmaster at Eudora, Ark.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. ROBINSON. I ask unanimous consent that the President be notified of the confirmation of the nomination of Harris H. Parr to be postmaster at Eudora, Ark.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nomination of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the calendar.

SALARIES AND POSITIONS OF CERTAIN SENATE EMPLOYEES

The Senate resumed legislative session.

Mr. ROBINSON. Mr. President, I have just received a request of the Senator from Maryland [Mr. Typings] having relationship to three resolutions recently adopted by the Senate directing the Appropriations Committee to take certain action. I refer to Senate Resolutions 249, 252, and 253. I ask unanimous consent that the votes by which the resolutions were agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the votes by which the resolutions were agreed to are reconsidered.

Mr. ROBINSON. I now ask unanimous consent that the resolutions may be considered en bloc, as they are of the same general character. If consent is given, I will then move an identical amendment to each resolution.

The PRESIDING OFFICER. Is there objection to considering the resolutions en bloc?

There being no objection, the Senate proceeded to consider the resolutions en bloc.

Mr. ROBINSON. I move that the word "directed" be stricken out of each of the resolutions and that the word "authorized" be inserted in place thereof.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arkansas to each of the resolutions

The amendment to each of the resolutions was agreed to. The PRESIDING OFFICER. The question now is on agreeing to each of the resolutions as amended.

The resolutions as amended were agreed to, as follows: Senate Resolution 249, submitted by Mr. McNary on the calendar day of March 12:

Resolved, That the Committee on Appropriations, or any sub-committee thereof having charge of the preparation of the bill making appropriations for the legislative establishment for the

fiscal year ending June 30, 1937, is hereby authorized to increase the number of clerks at \$1,800 under the supervision of the Sergeant at Arms and Doorkeeper by one.

Senate Resolution 252, submitted by Mr. Lewis on the calendar day of March 12:

calendar day of March 12:

Resolved, That the Committee on Appropriations, or any subcommittee thereof having charge of the preparation of the bill making appropriations for the legislative establishment for the fiscal year ending June 30, 1937, is hereby authorized to make the following changes in salaries and positions under the supervision of the Secretary of the Senate, to wit:

Assistant financial clerk: Strike out "assistant financial clerk, \$4,200" and insert "assistant financial clerk, \$4,500."

Executive and assistant Journal clerks: Strike out "executive clerk and assistant Journal clerk, at \$3,180 each" and insert "executive clerk, \$3,180; assistant Journal clerk, \$3,360."

Library and stationery assistant: Strike out "assistant librarian, and assistant keeper of stationery, at \$2,400 each."

Clerks: Insert "one at \$3,180"; strike out "two at \$2,640 each" and insert "fore at \$2,400 each." strike out "one at \$2,400 each" and insert "five at \$2,400 each"; strike out "four at \$2,400 each" and insert "four at \$1,740 each"; insert "two at \$1,740 each" and insert "four at \$1,740 each"; insert "two at \$1,860 each"; strike out "two in Secretary's office at \$1,680 each."

Document room: Strike out "first assistant, \$3,360" and insert "first assistant, \$2,640"; strike out "four assistants, at \$1,860 each" and insert "three assistants, at \$2,040 each."

Senate Resolution 253, submitted by Mr. Lewis on the

Senate Resolution 253, submitted by Mr. Lewis on the calendar day of March 12:

Resolved, That the Committee on Appropriations, or any subcommittee thereof having charge of the preparation of the bill
making appropriations for the legislative establishment for the
fiscal year ending June 30, 1937, is hereby authorized to make the
following changes in salaries and positions under supervision of
the Sergeant at Arms and Doorkeeper, to wit:

Deputy sergeant at arms and storekeeper: Strike out "\$4,440"
and insert "\$5,400."

Clerks: Strike out "one at \$2,640" and insert "

and insert "\$5,400."

Clerks: Strike out "one at \$2,640" and insert "one at \$3,180";

strike out "one at \$2,100" and insert "two at \$2,100 each"; strike

out "three at \$1,800 each" and insert "four at \$1,800 each."

Janitor: Strike out "\$2,040" and insert "\$2,700."

Laborers: Strike out "three at \$1,320 each" and insert "two at

\$1,320 each."

Skilled laborers: Strike out "five at \$1,680 each" and insert "six

Messengers: Strike out "one at card door, \$2,400, and \$240 additional so long as the position is held by the present incumbent" and insert "one at card door, \$2,400 and \$600 additional so long as the position is held by the present incumbent."

Folding room: Strike out "assistant, \$2,160" and insert "assistant, \$2,400."

Telephone operators: Strike out "13 at \$1,560 each" and insert "14 at \$1,560 each."

Capitol police: Strike out "captain, \$2,460" and insert "captain,

## RECESS

Mr. ROBINSON. The Chairman of the Committee on Appropriations would like to suggest to Senators that resolutions of the character of those just acted upon be referred to the Committee on Appropriations before action is requested in the Senate.

I now move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 36 minutes p. m.) the Senate, under the order previously entered, took a recess until tomorrow, Friday, March 27, 1936, at 12 o'clock meridian.

## CONFIRMATIONS

Executive nominations confirmed by the Senate March 26 (legislative day of Feb. 24), 1936

POSTMASTERS

ARKANSAS

Harris H. Parr, Eudora.

ILLINOIS

Ralph Hawthorne, Galesburg. George P. Ravens, Kankakee. Mayme F. Brooke, Matteson. Bertha E. Sayre, Orion.

KANSAS

Clarence H. White, Burlington. Leif R. Nelson, Chanute.

John A. Rogers, Cherryvale. Clarence A. Kirkpatrick, Council Grove. William P. Yearout, Emporia. Henry E. Dunham, Erie. Frank Barker, Greensburg. Howard H. Spear, Leoti. Edward N. Sidwell, Natoma. Rudolph J. Sharshel, Parsons. Gertrude Goddard, Rolla.

KENTUCKY

Walter B. Sisk, Fleming.

NORTH DAKOTA

Peter J. Bott, Marmarth.

# HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 26, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in Heaven, we call upon the name of the Lord, which is worthy to be praised. He is our rock, our fortress, our deliverer, our strength, and our God, in whom we trust. O pitying, waiting Infinite One, how wonderful are Thy patience and long suffering. In these hours when we are gathered together, united by common hopes, purposes, and common necessities, we pray for the blessing that comes from the soul of the Creator of heaven and earth. Keep us from the fruits of the lawless mind, misplaced affection, and unchastened desire. Inspire in us that which is true, pure, and courageous. May they direct us in our demeanor. Merciful Father, vouchsafe Thy presence to those who carry grief and are acquainted with sorrow. Let the lines of Thy light be traced shining through the shadows. As they grow richer and riper in their spiritual natures, may they tend more and more toward that beautiful experience—the peace that passeth all understanding. In the holy name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### VICTOR A. BARRON

Mr. JOHNSON of Texas. Mr. Speaker, by direction of the Committee on Foreign Affairs I call up a privileged report on House Resolution 453, reported by the Committee on Foreign Affairs.

The Clerk read the resolution, as follows:

Resolved, That the Secretary of State is hereby directed to transmit to the House of Representatives at the earliest practicable moment the following information, namely:

First. All facts pertaining to the death of one Victor A. Barron, an American citizen, who met his death while in the custody of the police at Rio de Janeiro, Brazil, on or about March 5, 1936.

Second. What was done by Hon. Hugh S. Gibson, American Ambassed to Brazil.

bassador to Brazil, to protect the American citizen, Victor A. Barron.

Third. Did Hon. Hugh S. Gibson, American Ambassador to Bra-Initia Did Hon. Hugh S. Gibson, American Ambassador to Brazil, aid and abet in the arrest or questioning of Victor A. Barron. Fourth. Did Hon. Hugh S. Gibson, American Ambassador to Brazil, or his agents, question said Victor A. Barron while said Victor A. Barron was in the custody of the Brazilian police for the purpose of obtaining information relating to Victor A. Barron's political activities.

Fifth Any and all information with respect to the conduct of Hon. Hugh S. Gibson, American Ambassador to Brazil, and his agents, in connection with the arrest and death of Victor A.

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent that the report on the resolution be read.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the report, as follows:

Mr. Johnson of Texas, from the Committee on Foreign Affairs, submitted the following report (to accompany H. Res. 453):
"The Committee on Foreign Affairs, to whom was referred the resolution (H. Res. 453) directing the Secretary of State to transmit to the House of Representatives information concerning Victor A. Barron, American citizen, who met his death while in the

custody of Brazilian police, having considered the same, submit the following report thereon, with the recommendation that it do not pass:

"The action of the committee is based upon the following letter to the chairman of the committee from the Secretary of State: "The letter is as follows:

"MARCH 25, 1936.

"The Honorable Sam D. McReynolds,
"Chairman, Committee on Foreign Affairs.
"House of Representatives.
"My Dear Mr. McReynolds: I have received a letter dated March
19, 1936, from Mr. I. R. Barnes, clerk of the Committee on Foreign Affairs, enclosing a copy of House Resolution No. 453, directing me to transmit information concerning the death of Victor A. Barron, an American citizen who died at Rio de Janeiro, Brazil, on March 5, 1936. I am pleased to submit the following information for consideration by the Committee on Foreign Affairs. The numbered paragraphs of this letter give the information requested in

the numbered paragraphs of the resolution.

the numbered paragraphs of the resolution.

"1. The Embassy at Rio de Janeiro, Brazil, reported to the Department on March 5, 1936, that Mr. Barron had stated on March 4 that he was willing to indicate the street where Prestes and his companions left his car provided he was guaranteed that he could return to the United States, and that the police had agreed and intended to put him on a steamer sailing for New York on March 5. The Embassy's report indicates that Mr. Barron was taken on March 4 from the prison to police headquarters and pointed out on the city map the exact spot where Prestes and his companion left his car. He was then allowed, in the company of a detective, to go to a barber shop in town and to dine at a restaurant. On left his car. He was then allowed, in the company of a detective, to go to a barber shop in town and to dine at a restaurant. On his return to police headquarters he was told in the presence of a representative of our Embassy that all arrangements were being made for his embarkation on the following day and that instead of returning to prison he would be given a special room at headquarters. Upon his return to police headquarters, Mr. Barron appears to have been greatly perturbed mentally, and it was only with great difficulty that he could be persuaded to go to a room which the police had arranged for him on the second floor overwhich the police had arranged for him on the second floor over-looking a patio. At 8 o'clock the following morning he succeeded in evading the guard and committed suicide by plunging into the paved area of the patio two stories below. The Embassy stated in this connection that he had made a previous attempt to commit

"2. As soon as the Embassy became aware of the arrest of Mr. Barron, Mr. Gibson interested himself in the case with a view to effecting Mr. Barron's release and departure for the United States, and had obtained assurances from the police that upon completion of their investigation they would permit the Embassy to send Mr. Barron to the United States. Moreover, upon learning of Mr. Barron's arrest, the Embassy did everything it could to see that he would not be subjected to third-degree methods and, so far as the Department is informed, its efforts met with success. In view of the fact that he was in an advanced state of tuberculosis, the Embassy sought and obtained assurances that Mr. Barron would be afforded good medical care, and Mr. Gibson reports that the police acquiesced in all suggestions made by the Embassy with regard to Mr. Barron's treatment and care.

"3. The Ambassador did not aid and abet in the arrest or questions." effecting Mr. Barron's release and departure for the United States,

3. The Ambassador did not aid and abet in the arrest or ques-

"3. The Ambassador did not aid and abet in the arrest or questioning by the police of Mr. Barron. The Embassy's reports indicate that the Ambassador had no advance information of the intention of the police to arrest Mr. Barron.

"4. The Ambassador requested information of Mr. Barron for the purpose of establishing his identity and citizenship in order that, if an American citizen, appropriate assistance might be rendered him, the nature of which would necessarily depend upon the circumstances. It should be recalled in this connection that Mr. Barron was arrested on account of his association with persons participating in an uprising against a foreign government. Upon finding that Mr. Barron was an American citizen, the Ambassador rendered the assistance set forth under point 2 above.

"5. The action taken by the Ambassador in connection with the

"5. The action taken by the Ambassador in connection with the arrest of Mr. Barron was the same as would be taken in connection with any American citizen arrested in a foreign country in similar circumstances. He did everything he appropriately could to obtain good medical care, release from imprisonment, and return to his home of this American citizen arrested on account of his association with persons participating in an uprising against a foreign government.
"Sincerely yours,

Mr. JOHNSON of Texas. Mr. Speaker, I move that the resolution be laid upon the table.

The motion was agreed to.

On motion of Mr. Johnson of Texas, the motion by which the resolution was laid upon the table was laid on the

#### STREAM POLLUTION

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, including therein a radio address made by myself on last Friday.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FADDIS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address delivered by me on March 20, 1936:

According to the poet, thoughts of love dominate the mind of young men during the balmy days of spring; but it is a matter of record that thoughts of fishing also occupy a prominent place during this season of the year, in the minds of quite a large proportion of our population, regardless of age or sex. After a winter of more or less forced confinement we naturally desire an opportunity to commune with Nature—man's greatest friend, teacher, and physician, the most generous of all philanthropists, in herself an infinite power, and God's agent of liaison with the human race. Each year over 7,000,000 of our citizens purchase fishing licenses. Add to this number those fishermen who, by reason of age or locality, do not require licenses, and it is safe to say that nearly 10,000,000 of our citizens are devotees of the art of Izaak Walton. This is quite a large percent of our population, and their desires should not be ignored.

Our land was originally abundantly blessed with streams, riv-

Our land was originally abundantly blessed with streams, rivers, and lakes of pure and sparkling water, which were intended to be used by man in conformity with the spirit of the Golden Rule. I ask, in all candor, have we not sadly misused this element so essential to our health and happiness? In the industrial ment so essential to our health and happiness? In the industrial development necessary to progress, we have neglected to provide for many of the wants of man, which are, in the ultimate, just as essential to human progress as are food and clothing. The results of this negligence are all too clearly reflected in the daily life of our Nation. The findings of criminologists testify to the fact that the opportunity to exercise the desire for outdoor recreation should not be denied. It has long been a matter of record that none of our vicious criminals have ever been devotees of hunting or fishing. With this evidence before us we are forced to conclude that man gains some impelling influence for good from communion with Nature. It may be that he acquires a self-reliance which causes him to scorn a parasitic existence. It may be that he absorbs from natural surroundings a tolerance for

reliance which causes him to scorn a parasitic existence. It may be that he absorbs from natural surroundings a tolerance for others which makes him a better citizen. It may be that his will power is strengthened by the fresh air and exercise. Whatever may be the cause, the effect is, without a doubt, beneficial.

Few, indeed, are those among us of mature age who cannot turn back to the days of their youth and recall enjoyable days spent along or in the waters. Where was there ever a more democratic institution than the old swimming hole? Alas, the shaded pool beneath the willows no longer rings with the hilarity of youthful sport! The once clear water is contaminated by the wastes from concentrated population. Those waters are not only a menace to concentrated population. Those waters are not only a menace to the health of the small boy who swims in them, but they also threaten the health of those who live nearby. The limpid waters of the creek, where once enchanted lovers canoed blissfully upon a summer's afternoon, are now of stygian hue from the tanneries above town, their foul stench replacing the fragrance of the wild

flowers of other and better days.

flowers of other and better days.

The pool around the bend, where once the dim outlines of gray rocks could be seen through the translucent green water, is now yellow with the precipitation of the sulphuric acid from a coal mine. The rocks are no longer dim, but stand out brown and distinct through the lifeless water. The black bass, that wonderful game fish of this continent, no longer survives in his natural habitat. The sunfish, suckers, and even the bullhead are but memories. No aquatic life can survive. The acid in the water would consume the live steel of a fishing hook, were any fisherman foolish enough to cast one in it. There are waters so foul, so polluted, so poisonous, that the very ice of midwinter is soft and cheesy. No more can they ring with the strokes of the skaters or the shout of "Shinny on your own side!" Too many of our lakes and rivers have become but so many blots and streaks of disgrace upon the map of our Nation.

of disgrace upon the map of our Nation.

Surely all this disgraceful contamination is unnecessary, and should be prevented and corrected. We must have industry, of course; but shall we allow civilization to destroy itself? An individual is not allowed to deposit his wastes upon the yard of a relighter. Why, then should a collection of individuals be also ridual is not allowed to deposit his wastes upon the yard of a neighbor. Why, then, should a collection of individuals be allowed to deposit their wastes upon the property of neighbors? Running water is common property the same as the atmosphere. It may be impounded and within reason diverted to private use. But certainly it is beyond the law of common decency to contaminate it so as to destroy its value to the public.

Navigable streams are under the control of the Federal Government although the real estate bordering them enjoys therein.

ment, although the real estate bordering them enjoys riparian ment, although the real solutering them enjoys riparian rights. The fishes in the streams are game, and as such are State property, subject to the protection of the State. Collectively they are the property of the citizens of the State, and the citizens may demand their protection. Navigable waters being under the control of the Nation, the citizens have the right to demand that they be protected from pollution. Since navigable streams are susceptible of contamination from sources and tributaries, the contamination from sources and tributaries, the contamination of any of the waters flowing into navigable streams is a concern of the Federal Government. Few of our navigable streams are confined to any one State. The Mississippi, our largest, is fed by the waters of 31 States. Most certainly the preservation of its purity is a national question of major importance.

Into the waters of the rivers in the Mississippi Valley each year

over 3,000,000 tons of sulphuric acid flows from the abandoned coal mines of the Appalachian coal fields. Year by year this acid has been increasing and its deleterious effects reaching further and further. The damage caused to stock, waterworks, boilers,

plumbing, industrial equipment, and equipment on Government locks and dams is estimated at \$10,000,000 per year. This takes no account of the poor character of the drinking water resulting to the cities which obtain their water from such sources. The ecothe cities which obtain their water from such sources. The economic factor alone is enough to waken public interest in this matter. I am glad to say that under F. E. R. A., C. W. A., and W. P. A. a very valuable program has been carried on in sealing these abandoned mines. This is an encouraging move in the right direction and should pave the way for more prevention of stream pollution. The completion of this program will eliminate about 70 percent of this acid coming from this region. There will remain, however, 30 percent from unsealed mines and all of the water from mines in operation. Unless this pollution is stopped, the money already expended will be of little avail.

It is said by those who have made an extended study of the

It is said by those who have made an extended study of the matter that the prevention of pollution is by no means a difficult matter. As far as the acid from mines and factories is concerned, matter that the prevention of politition is by no means a difficult matter. As far as the acid from mines and factories is concerned, it can be neutralized. As for such wastes as sawdust and refuse from tanneries, filtering can be resorted to. Pollution caused by sewage is the most menacing of all, as far as the public health is concerned. It can and must be taken care of by sewage-disposal plants, which if of the proper character are productive of valuable purposely as all supporting.

byproducts and self-supporting.

At the present time the matter of pollution is in the hands of the various States by virtue of the police power vested in them by the Constitution. Any casual observer can plainly see that correction will be a long time coming if some other system is not adopted. The State laws in most instances are more marked by the breach of the law than by its observance. Some years ago I was fishing along The State laws in most instances are more marked by the breach of the law than by its observance. Some years ago I was fishing along a stream in northern Pennsylvania. A game warden arrested two young men, both under 19 years of age, for fishing without a license. Less than a half mile down the stream, in plain sight, was a tannery pouring its poisonous waste into this same stream, killing all the fish for miles below. This tannery had been in operation for years and innumerable petitions signed by a majority of the residents of the vicinity had been sent to Harrisburg in protest to no avail. The law applied to the sportsman but the tannery was immune. State laws against pollution have generally proven to be inadequate. We must have Federal laws and laws with teeth in them. them.

We must have cooperation among the various associations interested in the purity of our waters. We must gather together those interested in the matter from the viewpoint of health, economics, morality, beauty, and recreation, and bind them together to accomplish their common aim. Certain States progressive in this respect have demonstrated practical methods for the prevention of the evil of pollution. With this legislation to guide us, as a precedent and example, pollution can and must be prevented throughout the

We must not continue to neglect the side of our national life which affords recreation to our population. The young and the middle aged turn to Nature for recreation and exercise—the old for solace, the weary for rest. The most wealthy man on earth is the contented one. It is the concern of the Nation to promote contentment, because contented citizens are national assets. Idleness is the father of disorder and crime. Subversive movements originate in idle minds. No man pursuing the conquest for contentment in fishing, hunting, bathing, boating, or skating can be termed as idle. Thomas Jefferson did not write the words "pursuit of happiness" into the Declaration of Independence merely to fill up space. They had a definite meaning. They are the verdict of the philosophers of the ages. Let us unite upon a program which will insure that they do not prove to be an empty promise.

We strive to give our children a better education than we received. We wish them to labor under better surroundings than we have labored under. We wish to hand down to them in every We must not continue to neglect the side of our national life

we have labored under. We wish to hand down to them in every way more advantageous material surroundings than we ourselves knew at their age. Let us determine to hand down to them Nature's great playground in the very best possible condition, consistent with our industrial development, to the end that they may grow up strong physically and morally and appreciative of the handiwork of Him who made heaven and earth. Let us not allow the masterpiece of the Greatest Architect to become befouled, besmirched, polluted, and contaminated by the wastes of those who have no love for their neighbor.

# FLOOD CONTROL BY WATER CONSERVATION

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There is no objection.

Mr. LEMKE. Mr. Speaker, at this time when the Nation is contemplating the appalling human and property losses occasioned by the present floods, I wish to call the attention of Congress to H. R. 5533, a bill which I introduced during the last session of Congress. This bill was reported favorably by the subcommittee on Irrigation and Reclamation and is now pending before that committee. This bill provides for a practical solution of our ever-recurring flood problems. It at the same time conserves and makes use of the waters for the people of this Nation. These waters are now wasted and permitted to run to the ocean, leaving destruction and misery in their wake.

The bill provides for the impounding of the unused and uncontrolled floodwaters coming from the eastern slope of the Rocky Mountains, near their source, in such a way as to prevent disastrous floods in the lower Mississippi Valley at a low cost and on a permanent basis. While furnishing flood protection so necessary during the occasional periods of unusually high water, the project outlined in the bill is one which will serve many other important purposes and pay rich dividends 365 days in the year.

The bill authorizes and provides for a series of surveys by which a contour line can be selected along the eastern foothills of the Rocky Mountains. It will extend from a point at or near the Canadian border to a southern terminus near the Mexican line, at an elevation above the semiarid belt, for a total distance of approximately 1,400 miles.

The plan is to build a series of comparatively inexpensive dams in the streams and rivers where this line crosses them. They will be connected by earth-built embankments so that they, with the dams, will form an unbroken wall behind which will be held one continuous reservoir from Canada to Mexico. This will place all the precipitation of this great watershed under the complete control of the Federal Government at the least expense and with the greatest effectiveness.

The land used for reservoirs will be inexpensive, largely untillable hill land. The mountain water will be held away from the Missouri and the Mississippi during the times when they are high and will be released to them when it will be useful for navigation.

But the byproducts of this flood-control program are so many and so great that they will bear a large part of the expense by daily utility. A few of these are: Irrigation, reclamation, electric power, prevention of soil erosion, diminution of the silt now carried to the navigable streams by floods, general improvement of the climate in the entire belt, and through all these the employment of men-millions of men-in noncompetitive work.

Irrigation: In the territory served by this great reservoir the average rainfall is about 12 inches annually. This is just about one-third the amount necessary for successful farming. It is in these lands—the most fertile in the world if they had sufficient water-that the destructive dust and sand storms originate, casting their blight over land which is otherwise fruitful. Competent engineers tell me that there will be enough water conserved by this project to irrigate 15,000,000 acres of land. Part of this water could be used to irrigate the proposed timber shelterbelt, enabling it to grow a much greater variety and more useful types of trees. Much of this irrigating water will sink into the ground and add to the now diminishing underground water flows, thus replenishing the supply of thousands of wells, springs, and lakes.

Reclamation: Reclamation and irrigation are in many cases synonymous. Without irrigation the reclamation of this now untillable land is, of course, impossible. Here, however, we must use reclamation in a much broader sense. It means not only the reclamation of farming land, and there is much need of that, but the reclamation of towns and cities, of business and industry, of languishing utilities and unused transportation facilities.

Electric power: More and more the farmer as well as the city dweller, is relying on electric power. Anything that reduces its cost and increases its availability contributes substantially to better living. This water so stored will provide opportunities for the creation of cheap electric power, while the reclamation feature will provide a market for that power without infringing upon the supply now available within the territory.

Soil erosion: Such a vast amount of water distributed and used over so great a territory, with its resulting tree and vegetable growth, will naturally have a most beneficial effect in preventing soil erosion. Chester C. Davis, Assistant Secretary of Agriculture, says, in an article in February's American Magazine:

Fifty million acres once cultivated in the United States no

test on our dusty walls, on the desks in Washington, and in the food bills of consumers throughout the land. \* \* \* \* More than 3,000,000 tons of soil are washed and blown from our fields every year.

Soil erosion is a matter of tremendous importance to this and to all future generations.

Silt: Silt accumulation is one of the most serious problems with which the War Department engineers have to deal in maintaining the navigability of streams. The impounding of this water will greatly diminish the amount of silt which is ordinarily washed down from the mountain sides at flood times and which must inevitably find its way into the beds of our navigable streams.

Climate: It is a generally recognized fact that increased vegetation and density of trees stimulates the rainfall and has a general beneficial effect upon climatic conditions. This, of course, would be one of the byproducts of this project which would bring its tangible and intangible blessings.

Employment: For 6 long years industry, business, and the Government have been attempting to solve our problem of unemployment, and still there are 11,000,000 men for whom there is no work. Competent experts, who have spent practically their whole lives in the study of conditions of this section, estimate that the development contemplated by the mid-continent reclamation bill will provide direct and indirect employment for 5,000,000 men. This is not relief employment but will be at prevailing wages and will not be in competition with private industry but under a combination of conditions which will insure a return to the Government of every dollar advanced for these purposes.

I realize that the claims which I am advancing for this project seem almost incredible. Yet engineers of national reputation, bankers whose names are known around the world, hard-headed businessmen and some of our Nation's leading statesmen have examined the provisions of this bill. They are unanimous in saying that its enactment, when properly amended, will make provision for these developments and in so doing will make a practical, businesslike demonstration of what this system will accomplish in the prevention of floods. This will point the way for its use in many other sections of the country and, I think, will become the economical and sensible solution of all our floodcontrol problems.

Friends of this measure, men who are familiar with conditions in all sections of the country, say that the entire plan could be placed in operation on the western slope of the Rocky Mountains from Canada to Mexico. A preliminary survey indicates that a similar system could be located on a contour line, beginning below the mouth of the Ohio River and west of the Mississippi, and thence through parts of Missouri, Arkansas, Oklahoma, and Texas to the Rio Grande

Another system could be placed around the foothills of the Allegheny Mountains under most favorable circumstances, not only for the prevention of floods but in making the floodwater usable for many purposes.

Another possible location would be on the headwaters of the Hudson River and its tributaries. The same system could be used in many sections of the Southern States; the benefits in each case would correspond to those contemplated by the midcontinent development as planned by its sponsors, the Mid-Continent Reclamation Association of Chicago.

Let me say again that as we are now reading daily of the havoc created by the floods, which this year have been so violent, we have here an opportunity of beginning the conquest of this gigantic problem.

All any reasonable man has to do is recognize the fact that our land surface rises from sea level to the mountain tops, and that under this condition similar systems for the control of flood waters could be installed wherever desired, and at a reasonable cost as compared to the loss occasioned by floods. Each project of this type can be financed under conditions that will make it self-liquidating; all that is required is to make a start, and in so doing prove the feasibillonger produce crops. \* \* \*

That land lies idle. In large parts it is unprotected by vegetation to hold the soil. \* \* Nature has written her profloods and a richer Nation, all without endangering the pub- is not the fault of the Corporation. The fact is that the houses there are old-fashioned brownstone houses and they

When this bill becomes a law there will arise a midland empire on the eastern slopes of the Rocky Mountains. Railroads will be running north and south, as well as east and west. The youth of this Nation will be given an opportunity. They will have an opportunity to build homes and enter industrial fields. Millions will be taken from the dole system. It will give a new frontier to our national aims. It will utilize and save the waters of this Nation where they are needed and add millions and billions to our national wealth. It will harness the rivers and streams at their source and use them for the good of mankind, rather than to allow them to destroy millions of dollars worth of property and many lives each year.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that on tomorrow, following the special order, which is the address of the gentleman from Oklahoma [Mr. Ferguson], I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 465.

The Clerk read as follows:

#### House Resolution 465

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11689, a bill to amend title I of the National Housing Act, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. Mapes].

Mr. O'CONNOR. Mr. Speaker, this is a rule for the consideration of the bill to extend the life of title I of the National Housing Act being administered by the National Housing Administration. The rule provides 2 hours' general debate and is an open rule.

The bill reported is the House bill. The Senate has passed a bill differing in some respects from the House bill. I mention the matter at this time because I have always been very much interested in the bill. One principal difference is that the Senate bill extends the life of title I until April 1 of next year, whereas the House bill extends it only to December 31 of this year.

Another matter in which I am very much interested and have been is this: You will recall that when the bill was under consideration before some of us made a very determined effort to have included a provision permitting loans up to \$50,000 for the alteration and repair of tenements and apartments in cities. Out of all the billions of dollars appropriated for relief very little has come to the tenement dwellers in the cities, who suffer hardships equal to those suffered by persons in the smaller communities.

Mr. GOLDSBOROUGH. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. GOLDSBOROUGH. As I stated yesterday, if the gentleman will present an amendment increasing the amount for such purpose from \$25,000 to \$50,000, I personally will make no objection to it whatever.

Mr. O'CONNOR. I hope the gentleman's committee will take the same attitude.

Take my own district, which is typical of a number of districts throughout the country. There never has been a loan made there by the Home Owners' Loan Corporation. This hysteria.

is not the fault of the Corporation. The fact is that the houses there are old-fashioned brownstone houses and they are worth, because of the value of the land, sufficiently above the limitation in the act so that no loan could be made. Practically all Members have had projects in their respective districts, but none of us Members who represent city districts have had one single solitary project in our districts. We have no C. C. camps in our districts. Practically none of our boys go to the C. C. camps. We have been carrying the burden of cost and have received practically nothing out of the billions of dollars which have been appropriated and which we so earnestly supported.

Mr. Speaker, this provision was put in the bill for the purpose of helping living conditions in the cities. Rarely is \$50,000 necessary; but this amount of money should be available to be lent for the alteration and the modernization of tenements and apartments. The acting chairman of the Banking and Currency Committee has said that while the committee amended the \$50,000 to read \$25,000 he personally has no objection to the original amount of \$50,000 standing, as indicated in the Senate bill. I understand a number of Members on the committee are willing to permit the \$50,000 to remain in the bill. I hope when that issue is raised, as it was raised last session, the committee will support the bill as it is. If the Committee decides to extend the life of the Housing Administration I hope they will take into consideration how long it shall be extended, and how worth while they will make it and permit these alterations and repairs up to the amount of \$50,000.

Mr. Speaker, I reserve the balance of my time.

Mr. RICH. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the
House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

	[Roll	No. 52]	
Adair	Dietrich	Lesinski	Romjue
Allen	Doutrich	Lord	Rudd
Amlie	Driscoll	Luckey	Sadowski
Andrews, N. Y.	Driver	Lundeen	Sanders, La.
Berlin	Dunn, Miss.	McClellan	Sandlin
Bland	Ferguson	McLeod	Scrugham
Brennan	Fish	McReynolds	Sirovich
Buckbee	Fulmer	McSwain	Steagall
Buckley, N. Y	Halleck	Maas	Sweeney
Bulwinkle	Hancock, N. Y.	Maloney	Terry
Casey	Harter	Nichols	Thomas
Claiborne	Hess	Oliver	Underwood
Clark, Idaho	Hobbs	Perkins	Wadsworth
Clark, N. C.	Hoeppel	Pettengill	Wilson, La.
Connery	Imhoff	Polk	Wolcott
Cooper, Ohio	Johnson, W. Va.	Rabaut	Wood
Culkin	Kee	Ransley	Zioncheck
Daly	Keller	Reed, Ill.	
Dear	Kocialkowski	Robsion, Ky.	

The SPEAKER. Three hundred and fifty-six Members have answered to their names. A quorum is present.

On motion of Mr. BANKHEAD, further proceedings under the call were dispensed with.

## AMENDMENT OF NATIONAL HOUSING ACT

Mr. MAPES. Mr. Speaker, I am in favor of this rule and in favor of the general purpose of the bill which is to extend the time of title I of the Housing Act, but I should like to make some observations in regard to certain provisions of the existing law. I had intended to make them later in the debate, but inasmuch as there has been little demand for time on this side to discuss the rule, I will make them now.

Let me say that I had nothing to do with making the point of no quorum. What I have to say is important, but it is not important enough to justify a point of no quorum.

It is interesting to review in retrospect some of the legislation which was passed during the hysteria which prevailed throughout the country during the first few years of this administration. Now that the hysteria has subsided somewhat it would be becoming for Congress to correct some of the more violent things which it did in the height of that hysteria.

Mr. Speaker, this legislation in one respect is one of the most amazing, if not the most amazing, pieces of legislation of them all. I refer particularly to the provisions in this Housing Act authorizing the Administrator of the act to appoint the employees, as many of them as he sees fit, without reference to the civil-service law, and to fix their compensation or to pay them whatever he sees fit, without regard to the Classification Act of 1923, as amended. He was also given a blank check upon the Treasury of the United States, to go as far as he liked in the disbursement of funds. There was no check whatever put upon his discretion in any of these respects. It was brought out in the hearings before the Committee on Banking and Currency and before the Rules Committee that the expenses of administrating the act up to March 31 of this year would be something like \$20,000,000. The act was not passed until June 1934. That is what it will cost directly. What it has cost the Government indirectly no one can tell, because other relief agencies of the Government have been called upon to bear a great deal of the expense.

Mr. FORD of California. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman from California. Mr. FORD of California. Is it not true that the number of men employed as a result of the activities of this particular agency was of such a character as to wipe out that charge altogether, because if these men had been on relief they would not have cost \$20,000,000, but probably \$250,000,000.

Mr. MAPES. I do not think anything could wipe out the charge altogether, but that may have been a partial justification for what was done.

Mr. Speaker, I read in the paper last Sunday, as perhaps all the Members did, that the Roosevelt Administration has added approximately 235,000 persons to the full-time pay roll of the Federal Government and further that only 1 in every 107 of these 235,000 was brought in under the civil service.

Mr. RAMSPECK. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman from Georgia.

Mr. RAMSPECK. Does the gentleman know that there are 8.500 more positions under civil service today than there were when the Roosevelt administration went into office?

Mr. MAPES. Well, multiply that by 107, because this article says there has been only 1 in every 107 put on under civil service, and the result will show how greatly the forces have been increased in the last 21/2 years.

Mr. RAMSPECK. Of course, they have been increased, but the gentleman was leaving a wrong impression.

Of course, most of the emergency agencies have not been put under civil service, although quite a number of new agencies have been put under civil service. It would have been a physical impossibility, as the gentleman knows, to have held examinations and set up these agencies in time for them to become effective, under the civil-service laws.

Mr. MAPES. Mr. Speaker, I do not concede any such thing. That is the usual apology of those opposed to the civil service.

Mr. Speaker, I said this was one of the most amazing, if not the most amazing, pieces of legislation that had been passed so far as this particular feature is concerned.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield? Mr. MAPES. I yield to my chairman.

Mr. O'CONNOR. Following what the gentleman has said, if we create a new bureau, whether it is an emergency or otherwise, how long does the gentleman think it would take to get it started if it had to start out with civil-service employees?

Mr. MAPES. There are thousands of people on the eligible list in the office of the Civil Service Commission, who are seeking positions all the time, and it would not take any longer, if as long, to start it with civil-service eligibles as it does without them, and once the organization was completed under the civil service, it would be much more efficient and much more competent to carry on than it is when I

set up under the patronage system that has been in vogue during the last few years.

Mr. O'CONNOR. I understand there are not enough different lists of different classes of employees to set up any

Mr. MAPES. I am afraid that the gentleman from New York has been so interested in partisan patronage that he has not informed himself as to the number of people on the eligible list in the office of the Civil Service Commission.

Mr. O'CONNOR. I will wager the gentleman I have got fewer jobs than he has under this administration. [Laughter.]

Mr. MAPES. I dare say it has not been any fault of the gentleman from New York. [Laughter.]

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. MAPES. I yield to the gentleman from New Jersey. Mr. EATON. I would like to ask the gentleman if he

interprets the remarks of the gentleman from New York to mean that in his view a civil-service set-up in this country is passé and that the Civil Service Commission ought to be abolished?

Mr. O'CONNOR. Oh. no.

Mr. EATON. The gentleman says it will not work. Mr. MAPES. For all practical purposes it has been abolished during the last 2 or 3 years.

Mr. EATON. It would not work under a New Deal administration.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I yield.

Mr. O'CONNOR. I did not intend to say any such thing. I have been for civil service. You can set up a bureau, and after it gets going you can put it under civil service and hold your examinations, but you cannot hold them before if you ever want to get the work started.

Mr. EATON. Why set up so many bureaus? Mr. MAPES. I suppose, Mr. Speaker, under the gentleman's theory, as soon as all the places are filled with good partisan Democrats, then they should be blanketed into office under the civil service.

Mr. SISSON. Mr. Speaker, will the gentleman yield? We would be following Republican example if we did that.

Mr. FORD of California. Mr. Speaker, will the gentleman vield?

Mr. MAPES. Mr. Speaker, I should like to have an opportunity to make a consecutive statement.

All that is needed to substantiate what I have said is to read a few sentences from the Housing Act. I read from the act:

The President is authorized to create a Federal Housing Administration, all of the powers of which shall be exercised by a Federal Housing Administrator.

The President's appointment of the Administrator is to be confirmed by the Senate, and his salary is limited to \$10,000 per year, but there is no limitation put upon the Administrator under the act.

Mr. Speaker, I read further:

In order to carry out the provisions of this title-

Which is title I-

and titles II and III, the Administrator may establish such agenaccept and utilize such voluntary and uncompensated

Then, after providing for utilizing the services of Federal and State employees, it continues-

and appoint such officers and employees as he may find necessary and may prescribe their authority, duties, responsibilities, and

The gentleman from New York states he has not been able to get many of his constituents on the pay roll. I will say to the gentleman that it is perfectly possible for the Administrator of this law to put as many of the gentleman's constituents on his pay roll as he wants to, without any limitation whatever, and give them any compensation that he desires to pay them.

This is a pretty broad statement, but listen to this lan-

The Administrator may fix their compensation without regard to the provisions of other laws applicable to the employment or compensation of officers or employees of the United States.

The Administrator may delegate any of the functions and powers conferred upon him under this title—

and titles II and III to such officers, agents, and employees as he may designate or appoint, and may make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, for law books and books of reference and for paper, printing, and binding) as are necessary to carry out the provisions of this title and titles II and III, without regard to any other provisions of law governing the expenditure of public other provisions of law governing the expenditure of public

Here is another provision which should appeal particularly to the members of the Committee on Appropriations, Mr. Speaker:

For the purpose of carrying out the provisions of this title and titles 2 and 3, the Reconstruction Finance Corporation shall make available to the Administrator such funds as he may deem necessary, and the amount of notes, debentures, bonds, or other such obligations which the Corporation is authorized and empowered to have outstanding at any one time under existing law, is hereby increased by an amount sufficient to provide such funds.

The Administrator does not have to come to the Appropriations Committee, nor to Congress, and the Reconstruction Finance Corporation can exercise no discretion, but it is directed under this law to turn over to the Administrator such funds as the Administrator may deem necessary.

Mr. Speaker, I have prepared some amendments which I shall offer during the consideration of the bill to correct some of these things to which I have called attention.

Mr. BROWN of Michigan. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. BROWN of Michigan. Does not the gentleman understand that the provisions of this title will cease on December 31 of this year?

Mr. MAPES. The gentleman would not object to having it corrected for the few months still remaining?

Mr. BROWN of Michigan. I do not think it is very important.

Mr. REILLY. Will the gentleman yield?
Mr. MAPES. I yield to the gentleman from Wisconsin.

Mr. REILLY. I want to suggest that if the gentleman will go back and look over the record of the former administration he will find that the Democratic Party in this matter followed your own leadership.

Mr. MAPES. That is a poor excuse, even if true; and I doubt whether the Republican Party or any other party before this administration ever went to the length that it has gone.

Mr. REILLY. It may be a question of degree.

Mr. RICH. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. RICH. When this administration came into power there were 61 regular departments of the Government. On March 3, 1936, we have established 41 new organizations.

Now, the Democratic Party made the statement in its platform that it was going to reduce the Government bureaus or departments-consolidate them. Instead of that you have increased them 70 percent in 3 years. It seems to me it is time to discontinue a lot of these organizations set up by the Democratic Party in the last 3 years. Their promises to the American people in 1932 were not fulfilled.

Mr. MAPES. Mr. Speaker, I reserve the balance of my time.

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Speaker, of course this is the open season, elections are coming, and we will seize upon every available opportunity to put something in the RECORD. Yesterday, after a tale of terrible distress which reached the very heart strings, a distinguished Member rose, and, under the cloak of speaking relative to the distress in this coun-

try, delivered one of the worst political tirades that I have heard in the many years of my service here. So, of course, everything that we are doing now which has been going on for the last 2 or 3 years has been criticized, but we want to reiterate it and get it again before the people and say, "See how we are going after these fellows, they have been spending the money right and left, and although you know that they took you out of the slough of despond, yet forget all that, and go after them for not keeping the number of departments down and keeping the organizations as they were, with the accompanying result that the country was in dire distress, desolation and poverty." However, I did not get up to speak about that. I want to speak about this bill. I think that our Committee on Banking and Currency has made a definite mistake in bringing in the bill they have because instead of liberalizing the conditions the way they should be, they have been tightening them up. Why tighten them up, when the end of the depression is approaching, when we are trying to get back on our feet and help everybody else do the same. To begin with, they curtail the time from April 1, 1937, to December 1, 1936. That is indictment no. 1. Indictment no. 2: They strike out the word "additions." Suppose a man wants to add a little bath room to his house, or he wants to add another part to the building to get comfort and recreation for his family, you strike that out. Indictment no. 3: It reduces the amount that can be loaned for commercial and other buildings of that type from \$50,000 to \$25,000, which is a direct slap at the great cities of the country. The great city of New York pays approximately 13 percent of all of the taxes collected by this Government, and yet we have received practically little or no money for commercial alterations in our city. A city alteration cannot be done with \$25,000. Fifty thousand dollars is not enough, and in many cases they need \$100,000 or \$200,000 to accomplish what you set out to do.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. FITZPATRICK. Yesterday morning's paper stated that the State of New York paid one-third of the entire taxes of the United States.

Mr. BOYLAN. The gentleman is correct in regard to the State. I thank him.

Mr. HANCOCK of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. HANCOCK of North Carolina. Is it not a fact that one-fifth of the loans under title I have been made through New York banks?

Mr. BOYLAN. Loans of \$2,000 or less, in the rural sections of the city, but I am speaking of the great metropolitan section, where the tenements are.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. O'CONNOR. Mr. Speaker, I yield 3 minutes more to the gentleman from New York.

Mr. BOYLAN. That is indictment no. 3. Indictment no. 4: Insurance is restricted to 10 percent. Instead of 20 percent, it is reduced to 10 percent. That is another tightening up, and it will make loans harder to get from the banks. Indictment no. 5: The total amount shall not in the aggregate exceed \$100,000,000, a reduction from \$200,000,000. I am rather surprised that our splendid Committee on Banking and Currency, for the members of which I have the highest respect and regard, should seek to curtail the benefits of this act, which we in the House, noted as the apostles of liberalization in extending benefits to citizens of our country, would naturally have sought to broaden and extend. Therefore, it is with a good deal of pain and sorrow and regret that I see that our committee is taking a stand opposite to that usually taken by the House.

Right here let me say that up to now we have done nothing toward providing cheap housing for the people of low income in the great cities. Even the loans we have made to limited-dividend corporations, carrying only about 4-percent return to the corporations, have not succeeded in bringing

low-cost rentals to the people in the great cities. Even with all these advantages, even with the advantages of reduced taxation and certain exemptions, the best they can get is down to \$12 and \$14 per room per month; and people of low income, earning from \$1,000 to \$1,500 per year, cannot afford to pay these high prices. Before Congress adjourns something definite should be done to make adequate appropriation to subsidize local, State, or municipal corporations, so that with a Federal subsidy proper buildings can be erected that will insure a rent of from \$5 to \$7 per room per month for these underprivileged, underpaid, and low-income people of the great cities. [Applause.]

Mr. MAPES. Mr. Speaker, I yield the remainder of my time to the gentleman from North Carolina [Mr. Hancock].

Mr. HANCOCK of North Carolina. Mr. Speaker, I find myself in somewhat of an unpleasant position this morning in that I am not able to go along with the majority members of our committee. I know it would be futile if I wanted to do so—and I do not—for me to attempt to stop the passage of this rule. I am merely trying to eliminate the defects in the bill and make it operate more effectively and less costly to the taxpayers. I have given long, thorough, and interested study to this legislation. I have been associated with home-financing legislation since its inception in 1932 with the passage of the Federal home-loan bank bill, and my attitude, therefore, toward encouraging home ownership is well known.

I have tried my valiant best to render a service to the House and to the people of America in working out sound programs for home financing. I appreciate that the future of our civilization will depend to a great degree on this type of legislation. I know it is in the home that patriotism is born. It is about the only material thing I have been able to save since the depression. I have always believed that the average man, without reflecting upon conditions which make it so that he must live in them, would not be willing to fight to save a boarding house. I also recognize—and I do not say it in a critical way—that the word has been handed down to pass this bill as it is now written. I recognize that the leadership of the House is powerfully interested in getting this bill through today.

I feel, however, that the study I have made of the legislation and the very close observation I have given to its "impractical" application enables me to help you in your desire to reach a wise conclusion about this bill. I am not anxious that you shall follow my judgment. It is a matter left entirely with you, but I believe that the present bill as written can and should be materially amended in the public interest. These changes will make it sounder, safer, and more effective. I believe the time is not far off when Members of this House and the American people will appreciate exactly what has been going on under title I of the Federal Housing Administration. When the dawn of some of the practices they now engage in breaks in your face you will understand that my efforts here today were timely and constructive. Let us go back in history a few years.

Those who were here in 1934 remember that the original philosophy underlying title I was this: The President sent a message to Congress asking that legislation be enacted which would place the credit of the Government behind private financing for home construction and repair. In other words, that message suggested that the Federal Government become cosigner with every individual who was eligible under the legislation. He set out two very desirable objectives. One was that through legislation of the kind suggested men would be put back to work. Therefore the main objective was to recreate employment. The second major objective was to create tangible, useful wealth in a form for which there is a great social and economic need. The banks had become timid. Other lending institutions were afraid.

Individuals dared not borrow. Something had to be done to break the jam. Those were days of emergency, and nearly everyone felt that any move designed to put the unemployed in the building trades back to work in substantial numbers was worthy of serious consideration. This was the means suggested, and, in my opinion, up to this

date, with all of its faults it has accomplished something worth while toward that end. However, it has not been operated upon a sound and efficient basis. It has utterly and dismally failed to measure up to the claims which its officials make for it. Compare their reports of accomplishments with tangible results in your own districts. Analyze what they claim with what their own records show they have done. It has been carried on by an excess of ballyhoo of every form known to the soap-box artists. N. R. A. was a piker when pitted against this aggregation. More bombarding publicity has been invoked in propagating this work than that of any other agency in my knowledge. Quite recently they have even resorted to the selection of approximately 3,000 W. P. A. workers, who have been sent in the cities to ring doorbells and leave literature asking people to purchase certain appliances. I know we have to do everything we can to give worthy men positions. I recognize and appreciate the fact that the Government owes an obligation to provide a way to work for every honest, worthy, and willing worker. [Applause.] So much for their methods of getting business and making the public buy appliances on the easy terms they do not provide. Who is sponsoring this legislation today? It is a rather strange thing, however, if you will go back to 1934 and examine the hearings, to see the witnesses who appeared before us at that time suggesting the wisdom of this legislation. If you will take that list and compare it with the list who appeared in 1935 you will wonder about the true parentage of this agency which has been ballyhooed as doing so much to encourage employment and recreate wealth in America. Where are those who so solicitously awaited its birth as the forerunner of all that was great and good for the unemployed and the home owners?

In 1934 we had before us distinguished public officials-Mr. Hopkins, Mr. Dean, Miss Perkins, Mr. Fahey. In 1935 we had Mr. McDonald and Mr. Moffett, Mr. Ellenbogen, and several distinguished Members of the House. In 1936 we have Mr. McDonald back, and he is the only one who appeared before. Then comes Mr. Flanders, Mr. Ferguson, Mr. Girard, and Mr. Young, all of whom are splendid gentlemen, but what showing do they make. I strongly intimated when this legislation was originally before our committee and after Mr. Dean and Mr. Riefler had been heard that the real purpose and philosophy would not be put into practice. I knew then, as my questions proved, that title I would be used largely as a grand sales agency, not for the building trades but for a few selected industries engaged in the manufacture of household appliances and equipment. have not been deceived, but I know some of you have. It is very easy for any man to come back to the House and say, "I told you so", but I am here to tell you that based upon the record-not what I may say about it-I mean their own reports—that the represented true purpose has not been carried out, but on the contrary it has been both distorted and perverted.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield.

Mr. BROWN of Michigan. Is it not a fact that Congressman Duffey of Ohio introduced the bill asking for an extension of title I and Congressman Dingell, of Michigan, appeared before the committee in behalf of the bill?

Mr. HANCOCK of North Carolina. I said just now that several other Members of the House appeared.

Mr. BROWN of Michigan. I misunderstood the gentleman. I thought he said no one else exhibited enough interest in the bill to testify.

Mr. HANCOCK of North Carolina. Of course, we all know where the pressure has come from for carrying on the operations without modifications. It is rather significant that no one has referred to a request from a prospective voluntary borrower. Now here is the record. What does the Administrator himself have to say about continuing to subsidize these lending institutions for this purpose to the tune of 20 percent of their total aggregate loans? In the first place, Mr. McDonald on the 13th day of February 1935, on

page 76 of the hearings, stated that he did not personally expect to request an extension of the act; that was the way he felt about it at the moment. That is the record. Now let us examine his recent statement. In the hearings before the Senate recently he stated, in effect, that title I had spent its purpose. Here are his exact words:

If you terminated the activities of title I of the Federal Housing Act on April 1 of this year, I do not think it would cause any marked slowing up in the business activity of the country. We feel that title I has already largely accomplished its objectives.

He did modify that later on in his testimony by saying that whereas these institutions had been using crutches, he thought perhaps it might be necessary for the Government to at least extend to them a cane. No reference is made to the plight of the home owner needing assistance to keep his home in livable condition.

The institutions he was talking about are the banking institutions bulging with cash to lend because they have been doing about 72 percent of this 20-percent guaranteed business. What a gravy train this program has been to some of them. It is little wonder that some of them have an affectionate regard for the officials of F. H. A. in charge of title I. Its almost a game of "heads I win, tails you lose" for Uncle Sam. He is the goat and we made him so.

Under the original act, in order to offer inducements to those institutions to make the loans, the Congress provided that each institution that was approved would be guaranteed up to 20 percent of the total loans which they made. Remember and bear in mind that it was not 20 percent on the individual loan, not 20 percent of their losses, but they were guaranteed 20 percent of the total loans made. Can you imagine it?

Now, let us see what that means. Let us take for an illustration the National City Bank of New York, which was instrumental in securing this legislation, through their Mr. Steffon, and which, by the way, has made about one-fifth of all loans guaranteed under title I.

In 1934, under title I, \$40,000,000 in loans had been insured by the Government, through F. H. A., involving a liability of \$8,000,000. This bank had made advances of credit of about \$7,000,000 during the first 6 months of the act, which meant they could lose \$1,400,000 yet not be out a dollar. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Speaker, I think the Federal Housing Administration is a very important agency of the Government, and I think it is aimed at the revival of the industry which means more to us now than perhaps any other affected by the depression. The building industry, in my judgment, is the key to complete recovery. An investigation of the products that enter into the building industry and industries associated therewith leads one to the belief that the building industry needs more encouragement than any other in the

I hope no difficulties will be encountered because of the belief on the part of some Member that this organization is being used to promote partisan activities and organizations. We must be fair; partisanship must not divide us when the agency is a helpful one. I ask you to look at the record and then you will agree with me when I say this agency was instituted under Republican auspices. The first director of the agency was himself a Republican. Through real-estate boards and banking organizations who received recommendations that led to the appointment of district directors, I was called in, not by the political organization of my county but by the real-estate board, which, in turn through its national organization, had been requested to give consideration to men who were worthy applicants to head this agency in that part of the country. The director in the city of Buffalo and for all of western New York, therefore, the man who organized the agency, was not selected by partisan methods but, like the National Director, was a Republican.

The statement was made a short time ago that we ought to call upon the Civil Service Commission to give us a list of

eligibles so we might appoint them to these various agencies created during the emergency.

This, indeed, is a fine objective, but it is entirely impractical. Dealing with an emergency requires instant and immediate effort on the part of lawmaker and Executive. There was not a list available that would furnish to us emergency set-ups and the particular kind of skilled men required. We had never gone into this business of relief before: it had been a local activity; but when the counties and the States, both Republican and Democratic insofar as administration was concerned, put up the white flag and demanded that the Federal Government take over relief, the Government was in a new activity for the first time in its career. What did the President of the United States do at that time? Not only did he appoint a Republican in charge of the Housing Administration but he also appointed a Republican to have charge of the great relief agency now known as the W. P. A. The Public Works Administration was placed under another Republican. Everybody here knows that at least 12 or 15 of our former colleagues on the Republican side either now hold or have held jobs under this administration. The Government, of course, could furnish stenographers, typists, and ordinary clerks, but the Civil Service Commission had no available list of men possessing the technical knowledge required in the investigation of mortgages, loans, and so forth, which enter so largely into the work of this organization.

Through the facilities of the Federal Housing Administration at least \$1,000,000,000 have been invested in refinancing and in home construction, repair, and modernization. The movement in durable goods resulting from the F. H. A. program has lent a substantial impetus to national recovery, and at the same time it has been vastly beneficial to American home owners.

This governmental agency is unquestionably a primary factor in our economic revival, as it encourages private capital by its insurance methods to make loans, and this encouragement promotes increased employment in the building trades. In order to insure mortgage loans it has set up an exceptionally precise method for land and building valuations, which, together with the guaranty on those loans, puts realestate properties on a sounder economic basis and less vulnerable to the dangers from adverse economic cycles. The F. H. A. has made a splendid record and proved itself popular. It merits national commendation.

Mr. O'CONNOR. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. Kenney].

Mr. KENNEY. Mr. Speaker, my people are interested in the extension of the authority granted by this bill. It has proved to be a wholesome undertaking in the part of the country where I live. One of our important industries in my part of our State is the building business. The Federal Housing Administration has been a boon to a great many of our mechanics and tradesmen, and we in northern New Jersey are interested in having this bill passed. I do not think there is going to be very great opposition to it.

There is one salutary provision in the bill having to do with loans made to tenants under a lease expiring not less than 6 months after the maturity of an insured loan. Under the original law a loan made to a monthly tenant could be insured. Cases arose where tenants under a monthly tenancy purchased such things as refrigerators and then moved without leaving any trace of their whereabouts. Tenants have made purchases under high-pressure salesmanship. In some cases the equivalent of a month's rent has been offered tenants in order to promote sales, some of which were made without a bona-fide down payment. I feel that in making provision for the sales of such articles as refrigerators the tenants getting the insured loans ought to meet the condition precedent that they have a lease expiring subsequent to the maturity of the loan.

Mr. Speaker, I am in favor of this rule and I know it is going to be adopted.

Mr. Speaker, I yield back the balance of my time.

Mr. O'CONNOR. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. Cochran].

Mr. COCHRAN. Mr. Speaker, the Senate has passed Senate bill 4212, a measure similar in part to this bill. Originally the language in the Senate bill was practically the same as in the House bill. However, the Senate has inserted new language. Senate bill 4212 has been passed by the Senate and is now on the Speaker's table. The title of the two bills is the same.

I think it is very advisable we substitute the Senate bill. In other words, I suggest that the House strike out everything after the enacting clause, putting in whatever language the House agrees to today for the language in the Senate bill. If we do this we will expedite the final passage of this bill. If we do not follow this procedure, when the House bill, H. R. 11689, goes back to the Senate the Senate will have to take up that particular bill. It must go to a Senate committee. That means delay. I believe this is a courtesy which we owe the Senate.

Mr. Speaker, the present law expires in 5 days. It is essential that this bill become a law by that time or the Housing Administration will have no legal right to carry on business. Surely the committee should see the wisdom of accepting this suggestion. Remember the President is not in this country, but on vacation in the West Indies, or somewhere in that vicinity, and it will be necessary to take the bill to him for his signature. Of course, it will be sent by seaplane. Both Houses have been adjourning Friday over the weekend. Therefore, it appears to me that we must dispose of this bill in both the House and Senate before adjournment tomorrow night if the bill is to reach the President and be signed before the present law expires. By passing the Senate bill at this time it will expedite the passage of the legislation. The Senate can either agree to the House amendment or ask for a conference. Of course, the House will grant an immediate conference, and the conferees can get together tomorrow and reach some agreement, and bring the bill back to both Houses before adjournment tomorrow night. It will be impossible to do this unless you substitute

Mr. O'CONNOR. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from New York. Mr. O'CONNOR. In addition to that the bill has to be signed by the President before the 1st of April?

Mr. COCHRAN. The gentleman is correct. Is it a question of pride of authorship? That is the only reason I can see for the committee not accepting this suggestion. I spoke to members of the committee, but could secure no assurance my suggestion would be followed out. I do not think pride of authorship should interfere in a matter as important as this is. I make the suggestion, therefore, that we substitute Senate bill S. 4212, and strike out all after the enacting clause in that bill and substitute the language in the House bill. The parliamentary situation will not permit me to do this, but I am sure the acting chairman of the Committee on Banking and Currency can get those controlling the time to yield to him for that purpose if he will but make the request. It should be done before we go into the Committee of the Whole, as a motion will prevail now. After the bill has been considered in Committee it can only be done by unanimous consent, and some Member opposed to the bill might object. I appeal to the Committee in charge of the bill to take the action I request now.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Sisson].

Mr. SISSON. Mr. Speaker, I do not agree with the gentleman from North Carolina [Mr. HANCOCK]. On the contrary, I say—and the figures will so show, if the annual report and the other statements furnished by the F. H. A. are examined that this has been one of the most useful agencies of the Federal Government in connection with the promotion of employment. It has done so and is doing so at the present time without incurring the criticism of putting the Government into competition with private interests. It has accomplished its purposes by bringing out from hiding private capital.

As I understand it, our committee was practically unanimous in reporting the House bill, and I believe this applies to the Republican Members as well as the Democratic Members, although I may be in error. I think all of the Republican Members were not present. However, with the sole exception of the gentleman from North Carolina [Mr. Hancock], the committee was, generally speaking, unanimous for the House bill. Some of us did advocate certain changes which appear in the Senate bill.

Mr. Speaker, I fully agree with the gentleman from New York [Mr. O'Connor] that New York City has not received the particular kind of relief and help under the law which has been in effect during the past year that it should have received. Of course, I am not authorized to speak for New York City, but as a matter of fairness I think I should make that statement. I agree with him also that the \$25,000 limitation under title I should be put back to \$50,000.

Mr. Speaker, I want to refer to just two or three other things which I understand will be offered in the form of amendments to the House bill, probably by the gentleman from Michigan [Mr. Brown]. I entirely agree with the position which I understand the gentleman from Michigan [Mr. Brown] will take. One of these has to do with the proposition that title I of the House bill terminates on December 31. 1936, at a time when Congress is not in session. I think it should be extended to April 1, 1937, as provided in the Senate bill.

The second proposition is that there were a great many gentlemen, some Members of the House, and many men from private industry, who appeared before our committee and asked that title I should continue to include, as it does under the present law, financing of electric appliances, this to apply to insurance only. This has been cut as to the amount of insurance from 20 percent to 10 percent.

Mr. Speaker, I think this agency is still doing a useful work in promoting business. This provision as to electric appliances is in the Senate bill, but has been taken out of the House bill. It should be restored.

I cannot argue the merits of the bill. I am not physically able to do so. There is a lot to be said for the bill, and I do not believe there is any substantial opposition to the philosophy of the legislation. I do not believe there will be any really serious or substantial opposition to the amendments which will hereafter be offered either by the gentleman from New York [Mr. O'CONNOR] or the gentleman from Michigan [Mr. Brown]. I want to say that I am 100 percent for all of them. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. DUFFEY].

Mr. DUFFEY of Ohio. Mr. Speaker, answering the remarks of the gentleman from Missouri [Mr. Cochran], I inform the House that since the bill passed the Senate there have been some unusual conditions arising in this country, particularly by reason of floods. The House Committee on Banking and Currency has properly seen fit to include in the pending legislation a provision whereby new construction on unimproved real estate may be made in a sum not to exceed \$2,000. If we substitute the Senate bill for the House bill, we will thereby deny this relief, which is very necessary. I submit therefore, Mr. Speaker, that we should pass the House bill as it has been reported by the Committee on Banking and Currency, with an amendment as to the effective expiration date, to April 1, 1937.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. FARLEY].

Mr. FARLEY. Mr. Speaker, I have listened attentively to the many things which have been said on the floor of this Chamber with regard to Government interference with private business. In order that the Members may realize what this Government has done to private business, I checked the following, and I find that on March 1, 1933, the low on the New York Stock Exchange of General Motors stock was  $10\frac{1}{8}$ . The high was  $10\frac{7}{8}$ . General Electric stock on the same day, low 111/4, high 12. Today General Motors is selling at 67% and General Electric at 38%. [Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. GOLDSBOROUGH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 11689) to amend title I of the National Housing Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11689, with Mr. O'NEAL in the chair.

The Clerk read the title of the bill.

Mr. HOLLISTER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. Gifford].

Mr. GIFFORD. Mr. Chairman, we are not opposing this particular bill, but as we have 2 hours for discussion, certainly some general observations should be made with respect to the present situation. We read a few days ago that the President himself said that the Federal housing program is in such a mess that it is doubtful whether anything can be done about it very soon. That does not detract from this measure particularly, but certainly when he makes a statement like that we wonder whether we may not be to blame for such an utter lack of coordination. One thing that we should keep in mind is that one authority should be doing something to save the homes of our people, and the other proposition should be entirely different, namely, to encourage the building of small homes for the average American family able and eager to do so.

No one could have been more enthusiastic for this plan than I when it was passed. I have, however, criticized the ballyhoo methods adopted. I consulted with the officials of many banks and urged their cooperation. However, I learned that at the start, at least, most loans made were made for refrigerators and other appliances. The lumber dealers and others did not seem immediately to prosper as much as we had hoped and expected they would. The gentleman from North Carolina [Mr. Hancock] portrayed these ballyhoo methods accurately to you.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. FORD of California. Did not the lumber dealers come

to the committee and urge that this be passed?

Mr. GIFFORD. Indeed they did, and they came to me and I sympathize with their hopefulness. They were a part of the volunteer committee the country was urged to form. They went around doing their best to get people interested in this proposition, and they are still hopeful and are interested. They have received some good, and I hope it will continue to stimulate their business.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. MAY. The gentleman made the statement that the President has said that the Housing Administration is in

Mr. GIFFORD. Yes.

Mr. MAY. Did he point out the particulars in which it is messy, or did he say anything further about that?

Mr. GIFFORD. I simply read to the House what was in the newspapers as reported from a conference.

Mr. MAY. I think as a matter of fact he made that state-

Mr. GIFFORD. Oh, everybody knows that it is in a mess. Mr. MAY. The House is entitled to know something

Mr. GIFFORD. I am going to tell why it is in a mess. There are various activities trying to bring about building operations. There are too many working at cross-purposes. W. P. A. in New Mexico in one little community of 14 people, with only 4 school children, constructed 2 schoolhouses to the tune of \$5,000 each. I get this from a Democratic newspaper, so I presume it must be correct. It stated that they have to allocate money in New Mexico, as well as in other

States. They have two United States Senators. That is one way the P. W. A. is spending money. Another way in which it is spending money is in the matter of slum clearances, and if I had with me certain other Democratic newspaper clippings I could show how they criticize these slum-clearance propositions. I will, however, read to you here a report which shows how the Government is acting at cross-purposes in these matters:

The Federal Housing Administration is insuring real-estate mortgages whereby private building lending may be encouraged. The Home Owners' Loan Corporation has loaned public money to almost a million private owners, and seems to represent a policy of supporting private real-estate values.

But there are two policies involved. One is to try to protect real-estate values; the other to use slum clearance for relief purposes, and then, by low rentals, ruin other real-estate values. They are spending many millions for these slum-clearance projects. This is really working at cross-purposes.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield? Mr. GIFFORD. Oh, I know what the gentleman from New York is thinking. I have read a lot about slum clearances. The tears would pour from my eyes if I attended some of those public meetings you have held in New York City, sponsored by your mayor, and I should probably be induced to agree with the gentleman; but before he asks a question about it I want to say that I do not complain where it is really properly done. And while the gentleman is on his feet I want to do a little Yankee trick and ask him a question.

Mr. BOYLAN. Go ahead. I will answer the question. Mr. GIFFORD. Why, in the nearby city of Stamford, Conn., as I read, where there are no slums, did they receive an allocation of \$800,000 for slum clearance?

an allocation of \$800,000 for slum clearance?

Mr. BOYLAN. Well, I do not represent Stamford, Conn.

That is represented by the gentleman from Connecticut [Mr. Merritt], one of the best men in this House. I suppose he got the \$800,000. I did not get it.

Mr. MILLARD. Mr. Chairman, will the gentleman yield for a question?

Mr. GIFFORD. Oh, the gentleman from New York has not answered my question.

Mr. BOYLAN. I will answer the gentleman's question. The gentleman said a great deal of money was spent for slum clearance. The gentleman is an intelligent man, well read, well versed, and an excellent Congressman.

Mr. GIFFORD. I thank the gentleman.

Mr. BOYLAN. He represents his district in a splendid manner. The gentleman knows, however, that in all these slum-clearing projects, so called, they have not been slum-clearing projects at all, because even with limited dividend corporations, when the houses were completed, it was necessary to rent them from \$10 to \$12 and \$14 per room per month. So the gentleman knows that is not slum clearance, because in slum clearance the rents would be, at the extreme, from \$5 to \$7 per room per month. The gentleman knows that.

Mr. GIFFORD. That is what I claim is the trouble. I had a picture of a slum-clearance operation in my State. They were good buildings. They looked like some of the new Harvard University dormitories. They cannot rent them to the same people who had them before, so these must have removed to a different section, perhaps no more desirable than the old one. Oh, the thing is to beautify the city at the expense of the Federal Government. Are we to keep on loaning money to wealthy communities like Stamford for this purpose? It is too true that many of my own communities, because the taking was good, have saved their own towns from going into indebtedness by accepting this Federal money. I am not now, or at any time, criticizing any individual who may have charge of any project. I am not much interested even in digging up corruption. As ranking member of the Committee on Expenditures, how often have I said that my criticisms are not aimed at people? You cannot entirely avoid political corruption in projects of this nature. There is plenty of it. I am having it in my own district. But I am not looking for somebody in particular to punish. I am rather criticizing these policies that we are following. We are indeed working at cross-purposes. Think of the waste of money which has been provided for resettlement. I wonder if we will approve and marvel at the Tugwell projects in and around Washington? How many such favored spots are there going to be?

Mr. BOYLAN. Will the gentleman yield, Mr. Chairman?

Mr. GIFFORD. Yes; I yield.
Mr. BOYLAN. You know the old story of the way the monkey killed the bees, one at a time. We were talking about slum clearance and now the gentleman has gone off to resettlement.

Mr. GIFFORD. I probably meant to lead the gentleman astray.

Mr. BOYLAN. Next the gentleman will be saying something about those celebrated oysters from Cape Cod.

Mr. GIFFORD. I thought the gentleman would arrive at something like that.

Mr. BOYLAN. I guess they were buying the refrigerators of which the gentleman spoke to put these celebrated Cape Cod oysters in. [Laughter.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HOLLISTER. Mr. Chairman, I yield the gentleman from Massachusetts 5 additional minutes.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman vield?

Mr. GIFFORD. Well, I should like to talk about these famous oysters that have been referred to.

Mr. BROWN of Michigan. Perhaps the gentleman will yield a little later after he has concluded his remarks.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. No; I cannot yield at this time. I was trying to tell you that I urged my banks to loan money under title I. The gentleman from North Carolina [Mr. HANCOCK] is right in part of his argument. Highly trained salesmen who were temporarily out of a job were put to work by the E. R. A. They were good salesmen. Every week end when they reported they naturally wished to report that they had done some business. But their job was to induce people who were able to spend money and not too strongly to urge those who were not in a position to do so.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman vield?

Mr. GIFFORD. I yield.

Mr. BROWN of Michigan. The gentleman has criticized the activities of the E. R. A. workers several times. Is it not a fact that the Government of the United States was kind enough to get E. R. A. workers to circulate a document extolling the beauties of Cape Cod and Cape Cod cottages? Does the gentleman not think he ought to give the Democrats a little credit for that?

Mr. GIFFORD. Just as I did yesterday. I gave them credit for these men urging us to spend money. I am one of those who went into debt when I had no business to do so, and I am now, like many others, suffering for thus going into debt as a result of a desire to go along. That is what I gave you credit for yesterday. That is your whole proposition. Do anything you possibly can to get the people to owe

Mr. BROWN of Michigan. They spent their time advertising the gentleman's congressional district as a summer

Mr. GIFFORD. I hope they said something about it. But I know how this thing works. I have talked with these men. I have in mind men they sent out in my district. They were all eager to make a showing. One of the fellows said to me, "The other fellows could not make a certain sale. I sold him." They were high-pressure salesmen. I said in the first place that this was all right where people were able to do it. But you have gone so much further than that and the results are rather disappointing.

I was talking with the gentleman from Maryland the other day, and I feel sure he is willing for me to repeat the conversation, because I know he is one who does not believe in

people going into debt. He fairly and truthfully said that the banks in his own particular district did not care to take this kind of loan; that they were high-pressure loans; that if a man really could afford it, the bank itself would be only too glad to lend the money. I have criticized so many other things that when I see something I am hopeful for I want to see it given a further chance, and I shall support this bill.

Mr. GOLDSBOROUGH. Mr. Chairman, in view of the

fact the gentleman has kicked my shins-

Mr. GIFFORD. I paid the gentleman a high compliment. Mr. GOLDSBOROUGH. May I ask the gentleman whether he will vote for the bill?

Mr. GIFFORD. Oh, certainly: I said so in the beginning. Mr. GOLDSBOROUGH. I am glad to have the gentle-

Mr. GIFFORD. I am very glad to vote for some of these things, of which I am hopeful. My effort at the present time is to show at what cross-purposes the various agencies of the administration are working, in an endeavor to bring out these weaknesses. This is not necessarily opposition, is it? Certainly we should uncover the weaknesses in the hope of remedying them.

I desire to bring out one further thing. I do not think any of us felt, when we originally passed title I of the bill, that under it new homes could be built. We thought the \$2,000 was to be spent for additions and improvements, but we find they have built \$2,000 homes complete. They want this permission specifically incorporated in the bill, and under the flood conditions now prevailing I am one who would say that if we can go into these flood areas and make a character loan to a man who owns his land, and if he can build a complete house for \$2,000, it is a splendid thing and under present conditions should be put in the bill.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts.

Mr. GIFFORD. Mr. Chairman, I have been in the realestate business for many, many years. When I entered this business I could get a title searched for \$3, but I should like to see you get a loan where you have to have a title searched that will cost you less than \$50. You are fortunate, indeed, these days if you can. If it can be so arranged that this \$2,000 can be lent as a character loan and save the attorneys' fees of \$50, it will be a very wonderful thing at this particular moment; and I urge, when this matter comes up, that it be kept in the bill. As a matter of fact, I think it was in the bill, but that the Federal Housing Administration proposed that it be taken out.

Inasmuch as I see the chairman of the committee looking at me rather sharply, I may say that there is another feature in the bill relating to second mortgages that may have to be amended to achieve the proper result desired.

Mr. ANDRESEN. Mr. Chairman, will the gentleman

Mr. GIFFORD. Briefly.

Mr. ANDRESEN. The trouble we find out in our country is that people do not have sufficient incomes to get these loans, because the lending authorities require that the applicant for a loan must have an income five times the amount of the monthly payment. Consequently they do not receive any advantage from it.

Mr. GIFFORD. That depends wholly upon the banks and how many months they will extend the credit for. Most of them spread it over 18 months. If the period is extended to 36 months, it can be handled with half the income.

Mr. Chairman, I had wanted to comment on another failure to encourage new construction, due to the effect of the Securities Act.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 1 additional minute to the gentleman from Massachusetts.

Mr. GIFFORD. I asked the chairman of that Commission how much of the \$5,000,000,000 that had been registered was for new construction, and I found that except for 5 percent all of it was used for refinancing and not for new construction and plant enlargement.

It might have been a good law, but it has proven a very great detriment to new business. This bill is especially for the little fellow, and I hope it will pass. [Applause.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN of Pennsylvania. Mr. Chairman, I thank the gentleman for allowing me this time. Two minutes is insufficient for me to give a real talk on the subject of slum clearance. Although I am unable to see, I can actually smell the slums in the District of Columbia. I do not think we can spend too much money in eradicating the slum districts not only in Washington, D. C., but throughout the United States. We are spending approximately \$15,000,-000,000 annually to protect society against criminals. It is my opinion if we spend about \$5,000,000,000 to eradicate the slum districts of the country a great deal of the prevailing crime would be discontinued. Of course, one of the reasons why unfortunate people are compelled to live in slum districts is because they cannot find employment, and when they do find employment the wages which they receive are insufficient to keep body and soul together. One of the best ways to wipe out the slums and end poverty in our country is to furnish employment to the millions who are now unemployed and pay them not only a living wage but a saving wage. It is unnecessary for any person to be unemployed today, therefore, Mr. Chairman, we should not hesitate to support this legislation or any other kind of legislation that will help to eradicate the slum districts of our country. [Applause.]

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. HANCOCK].

Mr. HANCOCK of North Carolina. Mr. Chairman, continuing where I left off a few minutes ago, may I say that in 1934 the gross amount of business which had been done under title I was approximately \$40,000,000. I stated that of the \$40,000,000 of loans insured under title I, about \$7,000,000 had been insured through the National City Bank of New York, one of the largest banking organizations in this country. Of that \$7,000,000, under the present law, the United States Treasury is responsible for 20 percent, or \$1,400,000, in losses. They are not even required to exert themselves if their losses are not in excess of 20 percent of their total loans.

Let us get a practical picture of the way the taxpayers' money goes in this grandiose scheme.

Mr. Chairman, as I understand the mechanics of the Federal Housing Administration, John Smith would go to Sears-Roebuck & Co. and purchase \$200 worth of appliances or improvements for his home. No cash payment is required.

John Smith takes that note to an approved institution, perhaps a new-born subsidiary operating on the mezzanine of each one of its central stores, which accepts it. The name of the borrower is then sent to the Federal Housing Administration; thereupon the Federal Housing Administration becomes responsible for at least \$40 of that \$200 purchase under the present act, and maybe 100 percent, dependent, of course, upon the percent of collections to the total loans made.

It so happens that under title I up to the present date approximately 50 percent of the total amount of renovizing loans made through December 31, 1935, were made through institutions in New York, the National City Bank, and its branches, the Giannini banks in California, and certain banks in New Jersey.

On the present amount of loans made through the National City Bank and its branches the Federal Government is responsible for approximately \$12,000,000 of its losses, and they will be there unless the shape of the world turns flat. I am merely calling these facts to your attention so that you may know what has been going on under title I of the Federal Housing Act and to convince you by the record of their performances that the amendments I am advocating are constructively sound and highly necessary. I need not tell the to support it again. I believe with certain changes and more efficient coordinated administration great potentialities for good lie in this title. I am also inclined to feel and frank enough to state that with all the abuses that have crept into its administration it has helped business in certain parts of the country, even if it was done at a dear cost. I am a strong and ardent believer in a slum-clearance program, but there is nothing in the bill before us relative to that kind of housing program. I am also not making any point here today because North Carolina, for reasons which I do not care to discuss here, has not participated as much as other States in the Federal Housing programs.

Furthermore, I recognize that certain legislation is passed here from time to time which affects certain sections more than others. I have tried always not to be sectional but take as broad view of each bill as my capacity and vision would permit. I am delighted to throw what little strength I have behind any sound bill designed to aid the larger industrial centers, particularly the large cities in New York, California, and other States. We all know that a large percent of relief funds have gone into these centers. Different conditions make necessary different legislation for different parts of the country. I am merely trying to point out what has been going on so that we may correct it if possible in the House.

Mr. FORD of California. Will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield to the gentleman from California.

Mr. FORD of California. This bill would not have an adverse affect on a slum-clearance program?

Mr. HANCOCK of North Carolina. No. So far as repairs and alteration projects, it could be helpful-

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield to the gentleman from Pennsylvania.

Mr. ELLENBOGEN. In connection with the example which the gentleman gave, he stated that on a \$200 purchase the Government may become responsible for 20 percent, or \$40. I think the gentleman is slightly mistaken. It could become responsible for the total amount, because the F. H. A. insures 20 percent of the total loans, which may be 100 percent of any particular loan.

Mr. HANCOCK of North Carolina. I thought I made that quite clear. The gentleman is, of course, correct, and I know his explanation is very helpful.

Let us see now for a few minutes what the advocates of the bill as it was reported say about it.

The gentleman from Maryland, the acting chairman of the committee, stated that under title I of the original bill there were two major objectives: First, to stimulate new construction, and, second, to stimulate the sale of electrical appliances. I differ, as is quite often the case, with my distinguished colleague in his interpretation of the purposes of title I, if that is his interpretation.

Mr. GOLDSBOROUGH. Will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield to the gentleman from Maryland.

Mr. GOLDSBOROUGH. I coupled new construction and electrical appliances as one. The second objective was low financing.

Mr. HANCOCK of North Carolina. As I stated in the beginning, my conception of it, based on the testimony given before the committee by its authors and sponsors, is twofold: to create employment, and create tangible, useful wealth by putting the durable-goods industries back into action. No one who came before us in 1934 ever intimated that these objectives would be carried out by stimulating the sale of a few appliances and articles made by a few select and favored manufacturers.

There is also a difference of opinion between Mr. Golds-BOROUGH and myself as to the cost of the operations to date. They have been high, all will admit, when you consider the small amount of business done and the real benefits to the people-not the lenders. Let us look at the record again. Based upon the answer made by the genial Administrator, Members that I supported this legislation previously. I want | Mr. McDonald, to a question propounded by the gentleman

from Michigan [Mr. Brown], my understanding is that the expenses and cost of operating, not including losses, which. as I shall later point out, are being minimized and perhaps deferred until this legislation is passed and the election is behind, would amount to around \$20,000,000 through March 31, which would be about 5 days from now. That is what I read in the record if I can understand the plain old English

In addition to that, the gentleman from Maryland says that approximately a million men have been put to work by the F. H. A. activities. I know that he believes that a million men have been put to work or else he would not have made the statement. I want to say, however, that his estimate is nothing in the world but a pure guess, so do not press him for an explanation or break-down of his figure. Now, I will tell you why I know it is a guess and closely akin to a majority of the wild assumptions and bloated claims of this organization. Just glance at the list of other accomplishments in their letter of transmittal.

In February 1935 Mr. McDonald told me that under the operations of the Federal Housing Administration 750,000 people had been put to work. At that time they had only been operating about 6 months. That is as ridiculous a claim as the one you will find on page 17 of the report for 1935, where they say that the modernization credit plan has directly encouraged millions of other property owners to go forward with upward of \$1,000,000,000 worth of repairs and improvements. Bureau of Labor statistics show that only about \$500,000,000 worth was done in the whole United States during 1935.

Mr. BROWN of Michigan. Will the gentleman yield to correct what I think is a mistake on his part?

Mr. HANCOCK of North Carolina. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. The question I asked Mr. Mc-Donald was whether or not the loss was \$20,000,000 for the period that would be ended on March 31, and for the proposed extended period, which, as appears on page 12 of the hearings, is December 31.

I shall continue to stick to the record. We may read it a little differently. I know the gentleman is sincere and I am sure he knows that I am, but let us keep the record straight. What do we find?

Mr. Brown of Michigan (talking to Mr. McDonald). Would it Mr. Brown of Michigan (taiking to Mr. McDonald). Would it be fair to say that your rough estimate of cost, not now taking into consideration benefits which, I can see, would be very great, that the cost of this operation to the taxpayers of the United States for the period that will be finished on March 31, and for the proposed extended period, would be in round figures something like \$20,000,000? I judge that from what you say.

Mr. McDonald. Well, do you mean on title I or title II or both

Mr. Brown of Michigan. I mean the entire act.
Mr. McDonald. On both features of the act, I think that is approximately correct. Mr. Brown of Michigan. Somewhere around \$20,000,000?

Mr. McDonald. Yes.

That is for the proposed extended period to December 31. Mr. HANCOCK of North Carolina. No, my friend; that would be twenty-two million, according to the record. I make this statement without fear of contradiction, that before March 21 of this year the actual expenses of operating the Federal Housing Administration will exceed \$20,000,000.

I further tell you that, based upon the record and common sense, the loss estimated by them of \$980,000 does not approximate the actual losses.

Any man with good, old, horse sense knows that the older the loans get the higher the curve of losses will be. These figures are based on practically new loans. Just wait and see. You will be asked to take care of the F. H. A. through a deficiency appropriation unless it is placed on a sounder operating basis. Mark my words.

Let me tell you something else about it. They probably do not believe their own statement; and I am not saying this to reflect upon them, but I will tell you why they do not. Do you know that in the Budget report they have set aside

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield the gentleman from North Carolina 10 additional minutes.

Mr. HANCOCK of North Carolina. They have set aside \$5,000,000 to cover the repurchase of notes in default for the year ending June 30, 1936. For the year ending June 30, 1937, they have included in the Budget \$23,000,000. This is the record. This is not my estimate of it. Why did they not tell us this. I had to dig it up myself.

Let us examine now hurriedly the bill before us by sec-

Now, they are trying to change the method of getting rid of these repurchased notes. They want Congress to authorize a private or public sale. Under the law this repossessed property has to be turned over to the Procurement Division. Any man who understands what has been going on under title I knows there is not enough space in buildings owned by the Federal Government to store the repossessed property. What are they going to do with it? They want to take these notes, bunch them up in a package, and sell them like a pig in a bag. In the interest of the borrowers and purchasers no private sale should be authorized. I think it is bad public policy, and I shall try to strike out the words "or private", on page 1, line 10.

Mr. Chairman, talking about creating employment, do you know that out of \$254,000,000 of business done under title I through December 31, 54 percent of it was in connection with the sale of plumbing, electrical appliances, and other mechanical equipment? The average loan for the year 1934 was approximately \$400, the loans during the year 1935 averaged \$354, and the loans in December 1935 averaged \$294. Tell me where substantial employment comes there. Where is the widespread employment in installing a Frigidaire, putting in a radio, selling a vacuum cleaner, selling a stove or a range or a cream whipper, if you will. Do you believe that 800,000 loans averaging \$350 would put even 250,000 people to work; and if so, how long? Is not that really silly for grown men, responsible officials, to talk about?

Mr. Chairman, let me tell you something else. These are the bare-bone facts. This report right here made to the Speaker of the House and to the President of the Senate states that through the influence of this Federal Housing Administration more than \$1,000,000,000 in modernization was done in the United States in 1935. The statistics of the Labor Department show that only \$524,000,000 of modernization improvements was made throughout the country during that whole year, and yet they claim credit for \$1,000,000,000.

I say to you, not charging any bad motive, but there never has been, in my judgment, since I have been in this Congress, a more misinforming and misleading report filed by a responsible agency of our Government than the report of the Federal Housing Administration for both years—1934 and 1935. Examine it for yourself.

Now, what about the low-cost interest rates so much touted? Whenever you see advertised in the papers that any individual, living in America, can borrow money under title I or title II of the Federal Housing Act for 5 percent, put it down as unadulterated "baloney." You cannot get it, and I say that such advertising is unfair and misleading. It creates discontent among the present borrowers of this country, and if it is continued, it is a worthy subject for investigation by the Federal Securities Commission, which requires that all people selling and financing securities shall tell the truth and all the truth to the public. Surely a Government agency should conform to its requirements.

What is the cost to the borrower under title I? There has been right much discussion about it. I am keeping to the record. I started with it and I shall end it as the basis for my declarations.

Let the record tell the story. The interest is approximately 9.72. Under the modernization credit plan, Bulletin No. 1, page 18, the discount on a 30-month rediscount loan figures out 11.15. Nobody in this House can deny that fact. That is their own record.

More than that, regulation 3 says that on each payment in delay of 15 days the lending institution is permitted to charge the borrower 5 cents on a dollar additional. That would make the cost to him run about 14 percent.

Every bit of that is concealed in the report. That is the tragedy of it, my friends. I am not saying that it has been done in bad faith, but it has been done.

Now, if you assume that 50 percent of the cost of administration of the Federal Housing Administration was spent in the administration of title I, you will find that out of every dollar that they have insured of loans it has cost the Government almost 3 cents. That is the record, and I defy any man here to refute it.

Now, what has the Federal Housing Administration done in the way of construction of new homes in America? It has spent approximately \$20,000,000 in operating expenses, and it has been responsible for the construction of 12,132 homes. That is the record. See their own report.

Now, let us see about this bill before us. I must discuss several features. The first thing they want to do, as I said awhile ago, is for Congress to give them the authority to sell these repurchase notes in bulk at private sale. Is that a sound policy? I seriously question it.

The next thing they want to do is to extend the life of this corporation to December 31, 1936. I would like to see it done under certain conditions.

They claim under section 2 that they will no longer permit the sale of electrical appliances. They have probably realized at last what they were doing. I still believe the officials here want to do the right thing.

My contention is that they can continue the sale of electrical appliances and equipment if the person to whom they sell owns the real estate or holds a lease that does not expire until 6 months after the maturity of their loan. I think that is a fair interpretation.

The whole thing hinges around the proper interpretation of what is an improvement to real estate. The language they use now is identical with the language which was in the original bill. Here is my recollection of the language: "To make loans and provide credit for the purpose of repairs, alterations, and improvement on real property."

On May 28, 1935, we changed that language and added, "and the installation of electrical appliances and equipment." In the Banking Act of 1935 we changed it a little bit more. We put in "and the purchase and installation." Therefore, my friends, unless you add before the word "improvement" the word "structural", we will never be able to carry out the original purpose of title I.

Another thing I would like to do is to cut this insurance fund down from 10 percent to 5 percent. These lending institutions collect on an average of 10 percent. They have, as I stated, the right to charge an additional 5-percent penalty. Why insure them on their total loans up to 10 percent? If they make \$100,000 of these loans, why let the Government continue to be liable for \$10,000? If you reduce it to 5 percent it makes the lenders more careful, and it thereby protects the Government accordingly, and in addition to that you will increase the total volume of business that can be done. Already there have been insured \$300,-000,000 of these loans. That involves the Government to the extent of \$60,000,000 on the basis of 20 percent. In the present bill you cut it down to 10 percent guaranty, so that permits them, with the \$40,000,000 remaining in the fund, to do a business of \$400,000,000.

If you cut it down to 5 percent, the Federal Housing Administration can do \$800,000,000 worth of business without increasing the liability of the Government. That is my contention. By adding the word "structural" you carry out the original philosophy and purpose of the title, which was to help the small-home owner in this country who had not the means nor the credit to make needed repairs to his home during the depression. In addition to that, you are protecting the United States Treasury. Unless changes are made, I predict here and now that within the next few years Congress is going to be asked to make an appropriation to take care of the losses under Federal Housing. [Applause.]

Mr. DIRKSEN. Mr. Chairman, I yield myself 10 minutes. I shall not oppose this bill, but in connection with its de-

liberations there are some things I should like to point out in the relationship between our present unemployment condition and the housing program of the Federal Government. I have nothing but admiration for the gentleman from New York [Mr. Mead], who time and again has shown a most perservering effort in directing attention to the problem of unemployment, and that has been emphasized, of course, by the President of the United States in his recent message to Congress, wherein he points out the appalling number of people who are unemployed at the present time. I believe that more and more Members of Congress ought to emulate Cato, the Roman tribune of old, who, realizing that some day there would be a struggle for mastery between Carthage and Rome, ended every speech he made by the statement, "Carthago delenda est"—"Carthage must be destroyed." I think we should end every speech and letter we write with the cry "unemployment must be banished", and make the Nation unemployment conscious.

My interest in the housing program and in this bill is directly related to my interest in the matter of unemployment, and by way of prelude may I say that a lot of good work done by Congress in the last year or two is going to be undone unless we solve that problem. When we set up the Home Owners' Loan Corporation to protect the homes of people against foreclosure I voted for the bill, and was glad to do so, and yet as we read the record we find that foreclosure proceedings have been instituted against 5,700 pieces of property and that the Home Owners' Loan Corporation owns 1,100 properties outright as a result of foreclosures. That is not because any home owner who has made a loan is indifferent to his loan or to the protection of his home, but is generally the result of inadequate earnings or of being jobless. That is where some of the benefits will be impaired until the unemployment problem is solved.

What is the unemployment situation at the present time? Look at the report dated March 16 from Mr. Green, president of the American Federation of Labor. He says there are 12,636,000 people unemployed in the United States at the present time.

Mr. HEALEY. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. Yes.

Mr. HEALEY. But in the 12,636,000 people who are unemployed are included three and a half million people who are employed on emergency relief projects, so that as a matter of fact there are 9,000,000 unemployed, approximately, according to the figures of the American Federation of Labor. Three million five hundred thousand are employed on relief projects. The gentleman is referring to figures on unemployment quoted by the American Federation of Labor. It may interest the gentleman to know that the figures 12,600,000 include 3,600,000 W. P. A. workers, according to Mr. Green, president of the American Federation of Labor.

Mr. DIRKSEN. The report points out that there has been an increase of only 1,024,000 in employment between January 1935 and January 1936.

The report also points out there are sixteen and one-half million people on relief. What have we done for them over a period of years?

Mr. REILLY. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. I yield.

Mr. REILLY. In order that the Record may be clear, I think the gentleman should state that a large percentage of the foreclosures instituted by the Home Owners' Loan Corporation are against people who have abandoned their property and others who, able to pay, are opposed to paying, believing that the Government should let them have their loans for nothing.

Mr. DIRKSEN. They state in their report that they are deliberate delinquents, but I do not subscribe to that view particularly. Now, what have we done about unemployment? There was the N. I. R. A., intended to eliminate child labor and absorb people in industry through the shortening of hours. We had the Civilian Conservation Corps; we had the W. P. A., P. W. A., and various others, the total cost of which was about eight and one-half billion dollars, yet we have the

brutal stark fact that there are some twelve and one-half million unemployed in this country at the present time.

When the first flash of the housing idea came along about 2 years ago I looked forward to it with a great deal of hope. I thought that, inasmuch as millions of people were unemployed who were formerly identified with the building industry, men who swing a hammer and push a saw, men who drive brick trucks, and who unload cement cars and all that sort of thing, might very readily find employment if there was a real worth-while housing program. What have we now by way of a housing program? First of all, there was allotted \$125,000,000 to the P. W. A. Housing Division. They did not spend a dime for actual construction. They did not build a house. They finally suspended for a little while when the P. W. A. Emergency Housing Corporation came along. They had an allotment of \$100,000,000. The Comptroller General said they could not legally expend any money. What They never built a house. They never built a housing unit. So the Housing Division came back again. They started in with the idea of low-cost housing to be done by private contractors. They finally determined that private enterprise could not draw up the kind of plan or meet the requirements that was in accord with the desires of the Federal Housing Division under the P. W. A. Then came the Louisville decision, in which a Federal court said that the Housing Division could not exercise the right of eminent domain under the Constitution, so they had to forget most of the private projects and address themselves to public projects. What is the record today after a lapse of almost 2 years? They completed seven private projects. They have thirtysome-odd public projects under way at a total cost of about \$140,000,000. This is a mere drop in the bucket when you stop to consider that fire has been destroying \$450,000,000 worth of property every year for the last 15 years. It is a drop in the bucket when you consider that they tore down 9,000 structures in Philadelphia and 11,000 in Chicago in the last few years. So we have had so little real results out of the so-called P. W. A. Housing Division.

Now, then, we had the subsistence homestead projects. I went up to Reedsville, W. Va., to take a look at this phenomenon. It is intriguing, it is instructive, it is inspiring for anybody to go out and take a look. On some of those houses they had to blow out the foundations in order to made the ready-made houses fit. On many the windows would not fit in the frames, and today if you will ask Mr. Pynchon, who was director of subsistence homesteads, he will probably tell you we are going to stand a loss of over \$3,000 a house on one-hundred-and-sixty-one-odd houses at Reedsville, and that ultimately Uncle Sam will suffer a loss of at least a million dollars before we get through. They have had some of these projects in different parts of the country. They have now abandoned over 56 subsistencehomestead projects.

We have at the present time the Rural Resettlement Administration. They are building a big project out at Beltsville. They have a tremendous pay roll down there. But as you evaluate all that has been done under any kind of a housing program, be it the Housing Division, the Emergency Housing Corporation, the Subsistence Homesteads or Rural Resettlement, the result is almost nil. The fact remains we have about twelve and one-half million people unemployed. The fact remains we have spent over eight and one-half billion dollars for unemployment and unemployment relief, and the message of the President of the United States, without my resorting to intemperate language or being a captious critic, is, in my judgment, a confession that after all this expenditure we have not solved the unemployment problem, and it remains for private industry ultimately to do so.

Mr. SCOTT. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. I yield.

Mr. SCOTT. Does not the gentleman think, then, we have to reach another logical conclusion, that even with the assistance of the Government private industry has not been able, and will not be able, to reabsorb the unemployed?

Mr. DIRKSEN. There is some merit, I would say, in the contention of the gentleman from California, insofar as it applies to manufacturing. That is why I agreed with the gentleman from New York [Mr. MEAD] that the entire hope of a durable, lasting kind of recovery, that will really be worth while, must necessarily be identified with some kind of housing program. It becomes necessary now for the administration, as I see it, to call in builders and architects. labor leaders, and financiers, to call in people who have had some practical experience with the program of housing, to come here and fabricate some kind of a program which the Federal administration can endorse and which will work. The very fact that we have had a conference going on for some time between the American Committee on Economic Security, the American Federation of Labor, and others, to fabricate a housing program, and the fact that it has been reported in the press that the President of the United States said our housing efforts had been a mess is the best indication that it has been a failure.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. SHORT. In answer to the inquiry of the gentleman from California [Mr. Scott], could you not answer that instead of the Federal Government's assisting private business, the Federal Government, by going into direct competition with private business, has destroyed it?

Mr. DIRKSEN. Very largely so; yes.

Mr. SHORT. That one thing has retarded recovery more than anything else.

Mr. DIRKSEN. Mr. Chairman, I cannot yield further for a moment. Now, when the Federal Housing Administration came along, the very fact that they used the word "housing", filled me with some degree of inspiration and hope that we were going to get some organization that was actually going to build houses.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DIRKSEN. Mr. Chairman, I vield myself 5 additional

Mr. Chairman, I thought it was going to be something that would put these craftsmen to work, the millions who were out of work. At the present time, under title II, the Federal Housing Administration can insure mortgages on new construction and on old construction also; and what the gentleman from North Carolina said about its failure insofar as new construction is concerned, is borne out by the second annual report made by the Federal Housing Administration covering the year ending December 31, 1935. Altogether they accepted mortgages for insurance to the number of 42,147. Of this number, 12,360 were on new construction. It is their own report. Substantially only 25 percent of the mortgages accepted for insurance under the mutual-mortgage plan were for new construction. It is nothing but a confession that the Housing Administration, so far as new houses are concerned, has been a dismal failure. This is the reason for my interest in a change of the language in the present bill, so they can go on and build new houses under title I. It may be there will be some abuses, but after all, the program must be measured in terms of how remedial it will be of our unemployment problem.

Mr. FORD of California. Mr. Chairman, will the gentleman vield?

Mr. DIRKSEN. I yield. Mr. FORD of California. After listening to the very brilliant address of the gentleman from Illinois, I would make the observation that the logical conclusion to be drawn from what he has said is that we should stop this right now. I do not think, however, the gentleman wants to do that.

Mr. DIRKSEN. Replying to the gentleman from California, I may say I am interested in any kind of program that will take up these idle hands; that will give relief to these men who sally forth day after day trying to find jobs but come home at night empty-handed. I am in favor of any program that will stop the bitter cry of the children

who must go to bed at night without supper because the breadwinner of the family is not working. In respect of unemployment the administration has not done very much, as indicated by the President's own message to the Congress.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. GIFFORD. I wanted to make a suggestion and help reply to the question propounded about private industry and the gentleman's desire that something be done here in Washington. I would suggest that those who come to Washington to fabricate a plan must be those who have listened not more than 3 weeks to instruction under Professor Frankfurter.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. MAVERICK. The logical conclusion of the gentleman's argument is that we should leave things alone and leave it to private industry. Does not the gentleman think, inasmuch as we have left it to private industry without getting any noticeable result, the indication is we ought to have a mass building of homes—a huge program under the Government of the United States?

Mr. DIRKSEN. I am sorry I cannot be responsible for the misapprehension of the gentleman from Texas.

Mr. MAVERICK. I know; but the gentleman has not answered my question.

Mr. SISSON. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. Yes; I am glad to yield to my friend on the committee.

Mr. SISSON. The gentleman, I know, means to be fair.

Mr. DIRKSEN. Indeed.

Mr. SISSON. In the gentleman's statement as to the number of mortgages that have been insured on new construction he should, of course, inform the Committee that this part of title II had to be newly organized. They had to start from nothing. It was an entirely new set-up, and they did not really get into operation under it until about last July. The public, as the gentleman knows; the bankers, as the gentleman knows; the lending institutions, as the gentleman knows; all had to be informed of this as a new method of lending money and of insuring mortgages. So this period of about 8 or 9 months affords hardly sufficient experience to determine whether it is going to be an efficient recovery measure.

Mr. DIRKSEN. In my judgment, that is not the reason they failed so dismally in the new-construction program.

Mr. SISSON. I do not concede they have failed dismally, and I think this is the opinion of the majority of the American people.

Mr. DIRKSEN. The real reason is we have had a lot of swivel-chair, blueprint bureaucrats down here who do not know much about housing, who hold such careful scrutiny over every mortgage and over every home proposed to be built that it is almost impossible to satisfy them.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, let us look at what they do. When Mr. Walsh, of the F. H. A., came before the committee I asked him about it and he very kindly put his memorandum in the record. He said:

Our standards have been carefully designed with the small house in view and it may be confidently said that houses meeting these standards can be produced in nearly any part of the country for \$1,500 or less. There can be no complaint, therefore, that our standards rule out the possibility of a workingman's home.

Exaggerated complaint has been made on the score of our neighborhood requirements. These requirements are extremely modest, but, so far as they go, they do offer to this home investment some assurance that a family's life savings will not be destroyed by thoughtless or unscrupulous developers. We seek to avoid the type of exploitation which has resulted in high-pressure selling such families property removed from schools and market centers, stranded as to transportation, endangered by lack of fire protection, and subject to great health hazard from polluted water or inadequate sewage disposal. We have, where possible, required sufficient deed restrictions to prevent obnoxious land uses from destroying the values which these families hope to establish.

There is nothing in any of this that makes houses more expensive, or which should diminish the volume of new construction. On the other hand, through requiring that homes for modest families be honestly built, and that the minimum of protection be assured to their investments, more such families may be encouraged to build. We have only to look at the dilapidated houses of the last boom and the disillusionment of their purchasers to realize the blight upon building which a short-sighted policy can produce.

As a result of such regulations in one case within my own experience they sought to tell the builder how many closets he had to put in a bathroom before they would approve the loan, or how many closets must be put in a bedroom. If this kind of surveillance, this kind of control is to be vested here in Washington, D. C., amongst some 3,800 people administering this set-up, obviously it is not going to get any further than it has gotten in the matter of giving us a real housing program that will absorb the millions at present unemployed.

Mr. DINGELL. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Michigan. Mr. DINGELL. I have a real admiration for the gentle-

man from Illinois, and I know he wants to be fair.

Mr. DIRKSEN. I try to be at all times.

Mr. DINGELL. I know he is striving to achieve the same purposes that we are all striving for in connection with relief and unemployment.

Mr. DIRKSEN. That is, after all, the vital question.

Mr. DINGELL. About a year and a half ago I made an extensive survey throughout the United States of this very question. As a result of that survey—and I do not want to take up too much of the gentleman's time—I am convinced that approximately 4,000,000, or 40 percent of the 10,000,000 unemployed are directly in the building trades and about three additional million could be absorbed if we eliminate the building-trades unemployed by the allied and associated industries; in other words, the dependent trades like the brickmakers and the manufacturers in the heavy industries, such as lumber mills, saw mills, and the like.

Mr. DIRKSEN. I may say to the gentleman that irrespective of the claims which are made, and quite aside from all the conjecture and the guess work that has been indulged in, as to how many men have been put to work under this kind of a program, the fact remains we have over sixteen and a half million people on relief this afternoon and we have over twelve and a half million unemployed. You cannot escape that fact. I do not care how presumptuous their claims may be, those are the figures and they indicate what Mr. Hopkins has to contend with.

Mr. MEAD. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York. Mr. MEAD. There are a great many people without work, but is it not true that the fault does not lie with the Federal Housing Administration so far as the building situation is concerned, but, rather, the fault lies to a great degree with the industry which manufactures materials for housing? If the gentleman will look up the record, I believe he will find that these industries, which have become more or less monopolistic, have been able to do the uneconomical thing in a depression of holding up the price level. If they had come down in the depression period, like the price of farm commodities, there would have been increased purchasing and more homes built. Then, too, there is a difficulty which lies with some of the private builders. They want to play the game that the F. H. Smith Co. played here in the District of Columbia. They want to sell bonds at unreasonable prices, but with the Federal Security set-up they have to play the game straight and they do not want to play it that way. I do not believe we can blame the Federal Housing Administration. I believe they are doing a good job in their sphere. Price fixing on the part of monopolies engaged in the manufacture of durable goods and also the old profiteering and racketeering that has been driven out of the business has to a degree retarded the construction program.

Mr. DIRKSEN. Mr. Chairman, to answer the gentleman from New York would take considerable time. May I sug-

gest to the Members that they get hold of the hearings and read what Mr. Carnahan placed in the record on page 52. [Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield myself 1 additional

Mr. Chairman, there appears a letter from the Miller Lumber Co., Seattle, dated March 1, 1936. If the Members will read that, they will get a pretty good idea about what has been going on with respect to new construction, and possibly a good idea of what may be done to give this Government a real housing program that will build houses, a program such as has been taking place in Great Britain and elsewhere.

Mr. CURLEY. Will the gentleman yield? Mr. DIRKSEN. I yield to the gentleman from New York. Mr. CURLEY. In arriving at the figure of 16,000,000 unemployed, has the gentleman from Illinois given credit to the advancing age of the young men and young women who have attained 21 years, and who have been absorbed into the present records of the Department of Labor?

Mr. DIRKSEN. If we included all those, the figure would be larger than it is at the present time.

Mr. CURLEY. Does not the record show there are at least three and a half million such?

Mr. DIRKSEN. It is difficult to assemble the records in reference to those things. The fact remains that when all the sound and fury has been spent, when all the fancy rhetoric has vanished into thin air, when all the alibis have been made, when all the defenses have been offered, when all the explanations have been presented, it remains a known fact that we have more than twelve and one-half million unemployed after the expenditure of more than eight and one-half billions of dollars over a 3-year period. Instead of, ostrichlike, sticking our heads in the sand and evading this real vital problem, let us recognize it for what it is and get to work on a durable solution.

If I appear unduly critical of the Federal Housing Administration, it is not that I am unsympathetic to its purposes but, rather, that I feel it has not accomplished what was hoped or expected. We must get results. We must deal with unemployment. A worth-while housing program seems to be the answer, especially when we bear in mind that an improvement in manufacturing to a point where it will reach 1929 levels will only absorb a small proportion of those now unemployed.

Instead of this indifferent, hit-and-miss policy under which we have a Home Owners' Loan, a Federal Housing Administration, a Subsistence Homesteads Division, a P. W. A. Housing Division, a P. W. A. Emergency Housing Corporation, a Resettlement Administration, an Electric Home and Farm Authority, and, perhaps, other agencies that deal with home building, home financing, and home appliances and repairs, let us insist on calling in a group of practical business, labor, and financial leaders to promulgate a housing venture in the spirit of helpful cooperation that will succeed. Let us adopt the psychology of Cate and continue to demand that unemployment must be banished. From that insistence will come tangible results.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. FARLEY].

Mr. FARLEY. Mr. Chairman, it seems to me that we are finally getting back to the original intent of this act, which was to take up the slack in unemployment. One of my colleagues made the statement this afternoon that there was very little labor employed in connection with the installation of a refrigerating plant or something of that character. I concede he is right in that respect. It does not take much time for a man to install a refrigerator. But he failed to go back to the beginning, to the point where the raw material is taken out of the ground. He failed to go back to where the pig iron is originally made. He did not review the steps which these materials take until they become a thermostat control in one of these refrigerating plants. In order to estimate labor's contribution to this we must go back to the beginning. The gentleman from Massachusetts suggested that this had up to now failed to start new industry and new business.

Personally I do not want to see very much new business of any type started where it takes new equipment and where it requires new buildings. I go back to the conclusion of the World War in 1920, when bankers and industrialists everywhere told us to expand, expand and get ready for the big things that were bound to come, until the time came when we overexpanded and when the crash came what was really the matter, as much as any other one thing, was the fact we were in debt and overexpanded at every point. [Ap-

What we are really trying to do now is to put ourselves in position to rehabilitate industry and put it on a safe, fair, and sound basis.

I contend the Housing Administration has done a good job. It takes time to do these things. When you start out on a big enterprise or building up a big industry you set aside a certain amount of money for experimental work, another amount of money for advertising and for the selling of the proposition. I think this housing program has progressed very finely. It has cost too much money to do it up to the present time, and if we should stop now there would be a loss, but we have every reason to believe that, continued for another year, with the ground work already laid, it will bear very much better fruit in the future.

I do not want us to reach the point where there will be any attempt at overexpansion. I dislike the idea of having them go from house to house to urge people, indiscriminately, to take on this additional financial burden, but this was something that had to be sold to the country. First, it had to be sold to the bankers, it had to be sold to the people generally throughout the land, and this work is well in hand and should be continued.

We have provided in this bill for a reduction to 10 percent of the insurance, with the total amount not to exceed \$100,-000,000. My good friend the gentleman from North Carolina suggests that this insurance should be cut to 5 percent. My contention is if we reduced it to 5 percent, we might just as well take it all off entirely. The result would be to destroy rather than to build up the law.

I believe this is an outstandingly good measure and is one that should pass. [Applause.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CURLEY].

Mr. CURLEY. Mr. Chairman, I also represent a district such as that mentioned by the distinguished gentleman from New York [Mr. O'CONNOR], the chairman of the Rules Committee, and also the distinguished gentleman from New York [Mr. Boylan], who spoke here today.

I can speak with some little authority on this question inasmuch as I have had some 35 years of experience in the building industry in the city of New York. I have attended a great many conferences in the city since I have become a Member of the House of Representatives, and I want to stress this point very forcefully. It was the building industry that was the first to suffer at the beginning of this depression, and it was the last to receive any help whatsoever in all our efforts to give relief throughout the country.

I can say further, as one familiar with this great industry, that the building industry will never see recovery in this country until the building trades come back to their own and they are all working 8 hours a day.

Here is a little history for you: In Manhattan, one of the great boroughs of the city of New York, we have 29,056 existing old-law tenements, with 335,042 flats.

In the Borough of Brooklyn we have 31,353, with 148,199

In the Borough of the Bronx, where I live, we have 4,620, with 31 737 flats.

In the Borough of Queens we have 1,632, with 7,044 flats.

In the Borough of Richmond we have 291, with 1,164 flats. This makes a total of 66,952 of these old-law tenements,

with a total of 523,386 flats, holding something like 1,500,000 people in the city of New York.

I sat in my seat here listening to some of the gentlemen here giving forth some of their cheap satire at the efforts of this administration to give relief, but they do not stop to consider that this child of the depression was not born with the Democratic Party, but it had been petted and pampered for | I hope we will get it out, because we must reestablish rep-12 years when it was healthy by Republican administrations and then dumped into the lap of Franklin Delano Roosevelt when it became sick on March 4, 1933.

I recently attended a conference of members of the building trades of this country at the Hamilton Hotel here, and they mapped out a program of so-called relief that would stimulate the great building industry throughout the country. They did not talk about \$100,000,000; they talked about \$500,000,000; and back in 1920, when there was a housing crisis in the city of New York, \$1,500,000,000 for this purpose was suggested.

Mr. Chairman, the housing problem in the city of New York, also all other populous and wealthy cities in the United States, is of more commanding importance than any other public or private undertaking. How can we hope to stamp out disease, insanity, and crime; how, in fact, can we hope to diminish their blight unless we see to it that those who cannot protect themselves are protected by the people at large, which means governmental agencies?

What I am concerned with most in this effort by the Democratic administration is the attempt to give relief to residents in the congested sections in the greater urban centers, such as exists in New York City in the blighted so-called slum areas.

There are three specific important features in connection with this proposed housing program. First, the stimulation of the building industry through the finance program of the Federal administration. Second, the protection of the health of the tenants in the aforesaid blighted areas. Third, it will reduce the number of unemployed.

In addition to that such a construction program that has for its object rehabilitation of such of these tenement houses as are not obsolete and are in a state wherein they may be rehabilitated and brought up to modern, decent living condition is a grave necessity. [Applause.]

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I am for this bill, although I do not entirely believe in its philosophy, because I believe the time has come when the American people ought to get out of debt. I believe that the Government ought not to urge men and women to go into debt. I feel that the time has come when we all ought to get out of debt. That is why we are for the Frazier-Lemke refinancing bill. [Applause.]

The necessity for this bill is apparent to every person, because as a people we have not sufficient credit. We are swamped with debts. There are three hundred billionsome say three hundred and seventy-nine billion-public and private debts in this Nation. This bill will help to give us more credit and help get the unemployed busy again. That is what we are striving for, to get the men and women off relief and give them more work on useful projects.

The reason we are in this desperate situation is because there is not enough actual money in circulation to do the Nation's business, and until we get the courage in this House to give the Nation the Frazier-Lemke refinance bill, legislation of this kind is essential and necessary.

Therefore, I am for this bill, and the farm bloc is for this bill. The farm bloc is for any bill that will help the unemployed and the distressed in the cities and towns as well as on the farms. We are for this bill in spite of the fact that we are denied a vote on the Frazier-Lemke refinance bill. We are for it because we feel it is for the best interests of this country. We are for it because we feel it will assist in giving to the unemployed an American standard of living.

Mr. GOLDSBOROUGH. Will the gentleman yield?

Mr. LEMKE. I yield.

Mr. GOLDSBOROUGH. I want to say that I am not one of those who have been opposed to bringing out the gentleman's bill.

Mr. LEMKE. I am proud to say that the gentleman is not. We need just a few more signatures to bring the Frazier-Lemke refinance bill out on the floor for a vote.

resentative government here on the floor of this House. If we fail in this the American people will lose confidence in us and in Congress.

In the meantime we must save the homes of this Nation. I am sorry the committee did not bring a bill out, but I hope some time soon the Banking and Currency Committee will bring a bill out that will save the square miles of homes now under foreclosure in the city of Chicago.

Let us save all the homes of the Nation. It can be done, and it must be done, or this Nation cannot continue as a democracy. It cannot continue as a free government, because when you have a great majority of the people no longer owning their own homes, you have no government worthy of the name, whether you call it a republican form or any other kind of a government. Homes make a nation stable; homes make a nation secure. Therefore, as far as we are concerned, we wholeheartedly support this bill.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. Yes.

Mr. MARCANTONIO. Something has been said which would make this bill appear as a step toward slum clearance. Is that the gentleman's opinion of this bill? Do you not believe that something should be done for the people living in the slum districts of our large cities?

Mr. LEMKE. This bill has nothing to do with slum clearance. I can see the need of slum clearance if it is done to help the people living in the slum districts and to improve sanitary conditions, but slum clearance in the recent past has too often been used to save real-estate owners and to put up expensive structures, thus crowding the poor into other slums in place of helping them out of the slums. I am for the bill under consideration because it will put men to work.

Mr. CURLEY. Does the gentleman think it is a funny matter to talk about slum clearance, where a million and a half of suffering people in New York live?

Mr. LEMKE. I said this bill had nothing to do with slum clearance.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Chairman, I am primarily interested in the Housing Act from the standpoint of the number of men that it has caused to be employed, the volume of materials, both manufactured and raw, that it has caused to be utilized, and from the standpoint of its social value. Its social value arises from the fact that it enabled thousands of people in the United States, who, because of 4 or 5 years of depression, were unable to keep their homes in repair and to rehabilitate residential rental property. We can discuss the technical details of the bill and its cost all night and get nowhere. What I am interested in is the primary objective of the bill. I repeat, that the primary objective is the reemployment of labor, the utilization of raw and manufactured materials, with the backlog of labor and the social benefits that accrue from a program of this character.

In the State of California under title I, \$39,516,179 worth of improvements to homes and residential income property were made. Last year, in 1935, our building permits for ordinary new construction in Los Angeles ran from \$28,000,-000 to \$29,000,000, as against \$2,000,000 or \$3,000,000 the year before, and I am satisfied in my own mind and from what people have told me that many of these structures were erected because the people of Los Angeles were able to secure the necessary financing under the titles of this bill. For that reason I am in favor of the measure, not altogether the one we have on the table for I would like to see the bill amended in one or two particulars, and in that event I think we would have a sane, sound measure, one that would contribute to the upbuilding of employment, to the wide spread of great social benefits, to the utilization of vast quantities of raw material in the way of lumber, cement, brick and mortar, and all of the things that go with them and in the use of manufactured articles like electrical and plumbing equipment, which have a big backlog of labor behind them. I know that there is a great deal of criticism by gentlemen on the other side of the aisle. They point out how it did not do this or that. They seem to forget that we walked in here in 1933 in a crisis. Our good friends of the previous administration had dumped a nice big depression into our lap and we have been struggling for the last 3 years. Because of the unsound policies in the previous 12 years, they were responsible.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. Houston].

Mr. HOUSTON. Mr. Chairman, the gentleman from Illinois [Mr. Dirksen] a few moments ago made a remark about some article contributed by Mr. Carnahan, page 52 of the hearings. I am intimately acquainted with Mr. Carnahan, and anything that he might say in regard to this bill I would be inclined, not even knowing what he said, to go along with him, because I believe he is competent and in a position to know what he is talking about, and I would support it.

Mr. Chairman, the part of the National Housing Act of June 1934 which authorizes the issuance of insurance for loans made for modernization purposes will cease on and after April 1, 1936, unless appropriate action is taken by Congress prior to that date.

In more than 8,000 communities throughout the United States volunteer better housing committees have been established through the aid and with the cooperation of the Federal Housing Administration, and these committees have acted to instill into the minds of home owners the necessity and desirability of home modernization and improvement. The amount has far exceeded a billion of dollars in work done and contracted for. This means that this vast sum of money has been placed in the channels of trade and industry for durable goods and the reemployment of tens of thousands of workers in the building and allied trades industries. It means that men and women have been taken off the relief rolls and placed on pay rolls.

In my own State of Kansas the housing canvass of last year, established primarily to determine the facts about modernization needs throughout the State, showed that 11,782 families were interested in building new homes. It is probable there are thousands of other Kansans who have wanted new homes for several years, but have not been able to carry out their plans because of general conditions. The mutual mortgage insurance department of the F. H. A. was designed to serve such cases.

Advantages offered the prospective builders of new homes are that F. H. A. financing means one mortgage, the end of refinancing problems, a fair and controlled interest rate, and service charge. A further advantage of the F. H. A. financing plan for new construction is in the monthly payment plan, which, because a longer period of years is allowed for repayment, makes it possible for each monthly payment to be reduced to a minimum charge. In addition to this the monthly payment covers interest, repayment of loan, taxes, fire insurance, and mortgage insurance.

The F. H. A. is serving a very useful purpose by making it possible for many persons to secure loans who otherwise would not be able to make them, but the F. H. A. loans no money itself and never attempts to interfere with private loans; in fact, applicants are urged to make loans in the regular course if they can, but through the F. H. A. plan it is possible for many persons to finance mortgages, new construction, and repair or remodeling work who have not been able to make satisfactory financial arrangements elsewhere. One of the best things about F. H. A. loans is that usually it does not take long to get one approved-2 weeks or less being the average time; and of the 2,600 or more applications handled in Kansas during the last 12 months there were on hand at the close of business March 1, 1936, less than 90 applications. The volume in Kansas alone has passed the \$6,000,000 mark.

It is highly desirable that this effort should be continued; that it should not lapse on April 1, when there is vast oppor-

tunity for this character of construction during the summer season. Its continuation means a continuance of employment for the workers not only who supply the materials but for those who actually perform the labor of construction; furthermore, it means a still further opening up of opportunity for idle capital for profitable and safe investment; and it means the improvement, repair, and modernization of American homes, increasing their real and substantial worth as well as the comfort, convenience, and well-being of those who own them. [Applause.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 8 minutes to the gentleman from Wisconsin [Mr. Relly].

Mr. DIRKSEN. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. Reilly].

Mr. REILLY. Mr. Chairman, the pending bill amends title I of the National Housing Act in several particulars:

First. Authority is granted to the Administrator to dispose of property acquired through default of modernization loans under regulations to be prescribed by the Administrator and approved by the Secretary of the Treasury and to compromise claims. This change in the law was made for the purpose of enabling the Administrator of the Federal Housing Act to handle in a more advantageous and expeditious manner the default obligations that have been and will be turned over to the Federal Housing set-up by the loaning institutions. Under this amendment the Housing Administration will not be hampered by State laws in the manner of realizing upon such assets.

Second. The authority of the Federal Housing Administrator under the original act to insure loans for modernizing and improving homes expires on April 1, 1936, and the pending bill extends the expiration time of title I to December 31, 1936, or to such earlier date as the President may fix by proclamation upon his determination that there no longer exists any necessity for such insurance in order to make ample credit available.

Third. Insured modernization loans can be made only to owners of real property or to lessees of real property under a lease for a period of not less than 6 months. Formerly loans made to monthly tenants could be insured. The maximum loan on improved commercial real estate, hospitals, schools, and so forth, is reduced from \$50,000 to \$25,000, and property improved by churches is made eligible for insured loans.

Fourth. The amount of insurance is reduced from 20 percent to 10 percent of the total amount insured.

Fifth. The maximum insurance liability of the Administrator under title I is reduced from \$200,000 to \$100,000.

Sixth. Section 3 of the title, which authorizes the Administrator to make loans upon the security of insured notes, is repealed.

When the National Housing Act passed the Seventy-third Congress it received practically the unanimous support of both sides of the House and Senate, for the reason that everybody, including Democrats, Republicans, Progressives, and Farmer-Labor representatives, was looking for some method or program that would put men to work, particularly a program that would enlist the cooperation of the citizenship of the country in making work for our army of unemployed.

The building industry in particular was severely hit by the depression. The 1,500,000 carpenters and mechanics who before the depression were engaged in the various phases of the building industry were unemployed, and this army of our citizens, together with their families, constituted a large element of the unemployed found on the relief rolls of the country.

The National Housing Act had two titles—title I and title II—and this bill only concerns title I, which provides for the insuring up to 20 percent of the total loans of any lending institution, loaned for the purpose of renovating and repairing homes.

Title II deals entirely with the matter of insuring mortgages eligible for insurance made on old homes and newly constructed homes. While we are not concerned at the present time with title II, I want to say that while title II was slow in getting into action, so to speak, it is functioning very

satisfactorily today, and it would appear from the statements of those who are informed that it has made possible the building of many homes in the past year, and it will undoubtedly be a great aid to the home builders in the future.

The National Housing set-up entered upon a new field of national activities. It constituted a pioneering movement to interest those citizens of our country who were financially able to make expenditures for the improving of their homes to do so through the aid of local lending institutions, and thereby contributing their little part in a Nation-wide movement to put men to work. It was estimated that there were at the time the Housing Act was passed 16,000,000 homes in this country that needed repairs and improvements, and the National Housing Act was designed to organize a united country-wide drive by such a class of our citizens to decrease the army of our unemployed through the repairing of said homes. The Housing Act was intended to encourage the granting of character loans for the purpose of putting men to work through home repairs. When the act was passed there were only 115 institutions in this country that would loan on character, while at the present time, as a result of the educational program carried on by the Housing Administration, there are probably 7,000 such institutions who are now making character loans to citizens who are willing to join in the work of repairing and remodeling their homes and thereby create jobs for the unemployed.

While the National Housing Administration has insured only about \$300,000,000 worth of loans, it is stated that for every dollar of insured loans made by the Housing Administration that \$5 more of uninsured loans were made to carry out the purpose of this act. In other words, \$1,500,000,000 of repairs and improvements on the homes of this country have resulted from the National Housing Act.

I recall that when the National Housing Act was before our committee in the Seventy-third Congress a representative of the administration—I do not recall just who the person was—came before our committee and stated that the Government could well afford to pay \$200,000,000 to get a billion dollars' worth of work done in repairing the homes of the country. And it was because of such a belief on the part of the administration that \$200,000,000 was set aside in the act to take care of the Government liabilities, that might result from the insuring of the loans made by loaning institutions to the citizens who wanted to repair and fix up their homes, the liability of the Government under the act being to the amount of 20 percent of the loans insured by any loaning institution.

There can be no question at all but that in view of the huge sum that the Government has been paying out for relief, that it would be advantageous from the financial standpoint of the Government to assume liability of \$200,000,000 for every billion dollars' worth of work done in this country in the way of giving employment to our jobless army, because the more work the less relief.

Now, what are the facts as to the cost of the Housing setup to date, or its total cost if title I should expire on April 1? The testimony is that to date only about a million dollars has been lost, and that is not all lost because it is estimated that the Housing Administration will recover about 15 percent of such losses through the sale of the defaulted paper or through future collections. The Administration officials represent that as the matter stands today it is safe to conclude that the total cost to the Government of its program for insuring advances to the citizens to improve their homes will not exceed \$10,000,000.

One of the speakers who has spoken in opposition to the pending bill contended that the older the paper, that the Government has guaranteed to the amount of 20 percent, becomes, the more worthless the paper will be and the greater the losses of the Housing Administration. I think such a conclusion is unjustified. Every time a citizen who borrows money to improve his home makes a payment on the note the better that note becomes, and the less likely the citizen is to default in its payment. Of course, any paper that the Government has insured that has run many months

without payment might come under the charge that it was getting more worthless every day, but as a general proposition on all installment purchases, and the program of the Housing Administration is nothing more or less than an installment purchase, the paper becomes better and safer every time a monthly payment is made. And so there is every reason for believing that with only a loss of a million dollars to date, that the total loss to the Government covering all notes that are insured will not exceed \$10,000,000.

Again, the administration was so hopeful of the good results coming from the housing program from the standpoint of losses that it has recommended, and the recommendation is incorporated in the pending bill, that the Government's liability be cut down from \$200,000,000 to \$100,000,000, and that the extent of the insurance on each loan or group of loans be cut from 20 percent to 10 percent. In other words, this amendment means that the indications are that \$100,-000,000 will take care of the Government's liability under title I, and that because of the small losses the work will go on with the encouragement of only a 10-percent insurance on the money loaned instead of a 20-percent insurance as provided by the present law.

Mr. McCORMACK. Mr. Chairman, will the gentleman vield?

Mr. REILLY. I yield.

Mr. McCORMACK. I am in favor of this bill, and the gentleman is making a powerful argument in support of it; but the thought in my mind is, why should title I be limited to to December 31, 1936? Why not extend its life into next year, when the Congress will be in session, so that if we want to extend it, we will have an opportunity to do so?

Mr. REILLY. I am in accord with the views of my colleague from Massachusetts. I think the expiration time should be fixed as April 1, 1937, instead of December 31, 1936, and it is my intention at the proper time to offer an amendment to the bill fixing the date when the authority of the Administrator to insure loans under the act shall expire as of April 1, 1937.

I understand that some of the Members believe that it would be better to terminate the life of title I of the National Housing Act at a time when Congress is not in session, because of the fact that if Congress is in session the Members will be bombarded with letters and telegrams from interested parties that might influence the better judgment of the Members of Congress as to what should be done with title I as regards the prolonging of its life.

I do not agree with this view. I believe the National Housing Act has been a success. I believe that title I has accomplished all it was expected to do in the way of creating jobs, and I believe that Congress ought to be in session when the expiration date of title I will arrive, so, if the situation is such in the judgment of Congress that the life of said title I should be prolonged, Congress will be in a position to act accordingly. It seems to me that the Members of this House ought to be courageous enough as representatives of the people to say "no" when they think a law, a bureau, or a commission has outlived its usefulness. [Applause.]

Nobody knows or ever will know just how much good title I of the Housing Act has been in the way of bringing about recovery, but the men in the building industry and the supply industry ought to know better than any other class of our citizens what the results of title I have been, and these men, as far as I have been able to discover, all say that title I has been a great help to their respective lines of business and that it should be continued.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield? Mr. REILLY. I yield.

Mr. RANDOLPH. I may say that in my State of West Virginia they have found it most beneficial to the stimulation of the heavy industries. The lumber business has shown a substantial gain. The men who get the timber from the hills find it has been of much help, in that repair and improvement of homes has come about through help advanced in the matter of loans. It is a real recovery measure and should be continued.

Mr. REILLY. I thank my colleague for his contribution.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That title I of the National Housing Act, as amended, be further amended as follows:
Section 1 of title I is amended by adding at the end of said

section the following paragraph:

section the following paragraph:

"Notwithstanding any other provision of law, the Administrator shall have the power, under and subject to regulations prescribed by him and approved by the Secretary of the Treasury, to assign or sell at public or private sale, or otherwise dispose of, any evidence of debt, contract claim, property, or security assigned to or held by him, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of insurance under section 2 of this title, until such time as such obligations may be referred to the Attorney General for suit or collection."

Mr. HANCOCK of North Carolina. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Hancock of North Carolina: On page strike out "or private" in line 10, and "or otherwise disposed of" in line 11.

Mr. HANCOCK of North Carolina. Mr. Chairman, I will be as brief as I can. If this amendment is adopted it means that the Administrator of the Federal Housing Administration will have to advertise for public sale and disposition the notes, liens, or chattels recovered. My understanding is that the laws of many of the States require this procedure. It will not hamper the Administrator in making compromises of these different claims where conditions and circumstances so warrant and justify. I believe that the amendment is sound from a standpoint of public policy and I know it will tend to give added protection to the borrowers. This is my first concern. It should insure that speculators shall not profit at the expense of the borrowers or the Government.

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield to the gentleman from Pennsylvania.

Mr. ELLENBOGEN. Would the gentleman confine the amendment to claims of larger size? I suppose in the case of small claims the price of advertising may be as large as the face value of the claim.

Mr. HANCOCK of North Carolina. I do not think that would be true. My understanding is that the procedure would be to get together all claims arising in a particular section and advertise them at one time. As I understand it every proper effort will be made by the Administrator to assist the original purchaser in retaining possession of the appliance or mechanical equipment.

Mr. Chairman, may I also, as a matter of fairness to the House, state that this amendment was offered by me in committee and rejected, but I now offer it for the consideration of the House, feeling that the committee did not have the time to adequately consider its merits. You know this measure came to us from the Federal Housing Administration only about 2 weeks ago. That seems to be the practice and strategy of some of the departments and especially where the legislation is of questionable wisdom and merit.

Mr. BROWN of Michigan. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from North Carolina.

The gentleman states that the statutes of most States provide only for the public sale of securities of this character. I disagree with that statement. As far as the statutes of Michigan are concerned they are almost identical with the provisions of this bill, and I am reliably informed and believe the provision of this bill follows the practice in the various States of the Union with reference to the sale of securities of this kind.

Mr. Chairman, if the amendment of the gentleman from North Carolina should prevail it would mean that when the Federal Housing Administration received a number of notes for say \$300, \$400, or \$600, that they had to take over from the various banks because the notes were not paid, they would have to go into every State in the Union where those notes were given and advertise them in the daily or weekly

The CHAIRMAN. All time under the rule has expired. | Chairman, that would unnecessarily complicate the procedure of obtaining payment on these notes. Furthermore, it would add greatly to the expense of securing ultimate payment or settlement on these notes.

Mr. HANCOCK of North Carolina. Will the gentleman

Mr. BROWN of Michigan. I yield to the gentleman from North Carolina.

Mr. HANCOCK of North Carolina. Is it not a fact that this probably will be the only way the original purchasers will have any notice as to the disposition of their property?

Mr. BROWN of Michigan. No; I disagree with the gentleman. I think the Federal Housing Commission would, in due course, write to every note maker asking him to pay these notes. I think the Commission will give them an opportunity to negotiate for the payment of the notes and perhaps allow some kind of a discount so that the notes may be paid insofar as the ability of the maker will permit that to be done.

Mr. Chairman, this amendment was offered in committee and came as close to being unanimously voted down as it was possible, to be without being unanimous. I hope the Members of the House will back the committee on this proposition and defeat the amendment.

[Here the gavel fell.]

Mr. SWEENEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in 1934, in the early days of the Seventythird Congress, I helped organize a group of 26 Members of the House, representing all political parties and the industrial and agricultural groups in this body, to call upon the President of the United States and enlist his aid in support of a housing act. After a very sympathetic interview with the President, the machinery was set in motion the next day by the National Emergency Council to prepare the necessary legislation. We enacted later what is now called the National Housing Act. Many of us had hoped that here was an opportunity in the field of new home construction to put men to work in the large industrial centers. In my community, for instance, there were 60,000 organized building tradesmen out of work and a healthy demand for new construction. When the operations began under this National Housing Act we found the General Motors Co., the Johns-Manville Co., the American Radiator Co., and others dictating to Mr. James Moffett and his assistants, thereby giving effect to title I alone. I saw the books and records of the administration of title I of the act. Mr. Moffet was kind enough to show me the record of earnings of the American Radiator Co. and the General Motors Co., which earnings were approximately \$2,000,000 in excess for each company in 1935 over the year before. Some men were put to work because of the administration of title I of the act, but not enough.

Mr. Chairman, at that time men were walking the streets looking for work, and today are still eager to work. No attempt was made to give any life to title II except promises that the banks and insurance companies would help. Now we have the opportunity to do something. This is not a solution of the whole housing problem, but it will help, and this Congress before it leaves Washington this session ought to pass legislation which will create a revolving fund of not less than \$100,000,000 to bring about employment in the new construction field. You Members from the flood area are going to be affected by this legislation, and it is to your interest to support this bill.

Under title I it is permissible at the present time for the banks qualified under the act to loan up to \$2,000. Thousands of homes have been built under the provisions of title I. They are cottages, small homes. Call them shacks, if you will, but they are homes. Many homes have been wiped out as a result of the flood. In the Johnstown (Pa.) area, and the entire flood sections of Pennsylvania, Ohio, New York, and the New England States, for instance, five-, six-, or ten-thousand-dollar homes are gone forever. Some newspapers for sale at a public sale. It seems to me, Mr. of these owners might be glad to get the opportunity to borrow \$2,000 to build a small house until they can get on their feet. That is what will happen if this legislation passes.

Mr. Chairman, we have allowed huge corporations like the Johns Manville Co. and the General Motors Co. and a few others to run the show. In other words, the tail is wagging the dog, if I may use that figure of speech. It is high time that we give effect to this sort of legislation and call a halt to some extent to lending money for refrigerators or to put a furnace in a home or a steam apparatus in a home to satisfy the Johns Manville Co. or the American Radiator Co. or the General Motors Co. and begin putting up some homes. There is a dire need in America today for new homes, and as time goes on there will be more of a need. We can learn a profitable lesson from some of our European countries on the subject of national housing.

Mr. Chairman, I hope that the Members will adopt the Reilly amendment which will extend the time of this agency until April 1, 1937. Speaking for myself, I think we ought to have a permanent housing act, and I think the time will come soon when we will consider and pass such legislation. Mr. Chairman, I am going to support this measure.

Mr. DUNN of Pennsylvania. Will the gentleman yield?
Mr. SWEENEY. I yield to the gentleman from Pennsylvania.

Mr. DUNN of Pennsylvania. May I say to the gentleman, with reference to the flood situation, that I hope he will support my measure covering flood relief. I understand there is another flood coming on which will have a disastrous effect on Pittsburgh.

Mr. SWEENEY. Mr. Chairman, I am sure if the Members from New England and Pennsylvania and other States affected would be approached by their constituents, they would be told to vote for legislation and all worth-while measures designed to curb the flood menace so destructive of human life and property.

Mr. DUFFEY of Ohio. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, in my support of this legislation I cannot agree with all the remarks of the gentleman from Ohio [Mr. Sweeney]. It seems to me there are only two salient and important phases of this bill.

On January 22, 1936, I introduced a bill known as H. R. 10501, the sole and simple purpose of which was to extend title I to April 1, 1938. I choose this date on the theory that the rehabilitation of the building industry and its return to some form of normalcy required 2 years' time and was necessary to obtain some kind of permanent recovery. I do feel it will take 2 years for the building industry to return to normalcy.

However, this pending bill provides for December 31, 1936, and we know that the Senate bill provides for April 1, 1937. I am willing to accept the Senate bill as to the effective date and the amendment to be offered by the gentleman from Wisconsin [Mr. Reilly] designating April 1, 1937.

I take this position, first, on the theory that the new Congress which convenes on January 3, 1937, should have an opportunity for further study of this great problem.

Second, in the history of important legislation it has always been revealed that it takes time and some experience to iron out the difficulties that arise that could not have been anticipated.

What I think is perhaps also more important at this particular time is the other phrase, the provision which comes from the House Committee on Banking and Currency and which is not in the Senate bill, providing for help and assistance and financing of small homes up to the amount of \$2,000.

At the time the Senate passed the bill and at the time the Federal Housing Administrator first made his recommendation to the Committee on Banking and Currency, the Nation did not have the condition that has arisen by reason of the floods.

This legislation, Mr. Chairman, is not only meritorious but it is something that the Nation needs, and needs badly.

I quite concur in the remarks of the gentleman from New York [Mr. Curley] that the building industry was, perhaps, the first to suffer and will be the last to be able to recover.

I submit, Mr. Chairman, these two important points are the only things at issue, and even though mistakes have been made, and even though sufficient time or experience has not yet been had to iron out some of the differences of opinion, I believe the legislation is meritorious and that the bill should be passed. [Applause.]

[Here the gavel fell.]

HOUSING, CONSERVATION, AND UNEMPLOYMENT

Mr. MAVERICK. Mr. Chairman, I am in favor of this bill and shall vote for it. It seems to be the opinion of the Members of the House that they are all for it but they are not very well satisfied with it. However, I want to say this about the measure: It is not a housing bill, it is not a slumclearance bill, and, as the distinguished gentleman from Illinois [Mr. Dirksen] said, it is not a drop in the bucket. Yet when I asked him how this should be carried out, or how a proper housing program should be started, he evaded answer and seemed worried about my "misapprehensions." I did not ask him to worry about my misapprehensions; I asked him to answer my question, and not in such a suave and sweet way, either. He answered in sweet nothings; a good Republican answer.

#### AMERICA SHOULD BUILD A MILLION HOMES A YEAR

We are not meeting the problems we have in reference to unemployment. We are not meeting our problems in reference to building and housing. Instead of building 12,000 houses a year, or, rather, guaranteeing them for bankers and taking the losses on them, a comprehensive building program should be established by the Congress of the United States to build, not these 12,000 houses a year but 1,000,000 houses a year. [Applause.]

In England they had a program where they were building something like 400,000 houses a year. They were doing something like 20 or 30 times as much as we were doing, considering the comparative wealth and size of the two countries. England is about the size of the State of Illinois, and yet she is doing much more in this respect than we are doing. Comparatively, what we are doing is infinitesimal.

I repeat, we are not meeting this problem at all, we are just scratching the surface. I may add that the building trades in this country are still off something like 85 percent, and we are not going to have any recovery here until we rehabilitate the building industry. If we once rehabilitate this industry we can then make some move toward prosperity. This bill hardly touches the subject, and all we can say is that we have done slightly better than nothing.

CONSERVATION OF NATURAL RESOURCES GOES SIDE BY SIDE WITH HOUSING

There is another subject that goes side by side with this, and that is the matter of conservation of our natural resources. I have introduced a bill on conservation known as the Resources Board bill, H. R. 10303. It is widely endorsed all over the Nation by agricultural, forestry, and conservation organizations and, I believe, has the approval of practically every State planning board. It is not even out of the Public Lands Committee.

Most of the gentlemen on that committee say, "I think it is a pretty good bill, but we do not want to bring it out now." The truth of the matter is that Congress has sort of got the mental staggers. Election day is coming and we are not doing as much as we ought to do.

Getting back to this bill on housing. The only criticism I have is that it does not go far enough. We go ahead and spend \$50,000 on investigating the Townsend plan, because some of us are a little scared—and that is all right. I am glad to spend \$50,000 looking into the Townsend plan, but why should we not spend \$50,000 to go into a constructive, intelligent, and scientific study of the building trades of this country in order to get people back to work?

OUR REAL PROBLEM IS UNEMPLOYMENT

Our problem is one of unemployment. This is the grave national question we must solve, and if we go into an intelligent housing campaign we can put two or three million people to work. We need to build 10 or 15 million houses and not just a few thousand. If we have an effective and substantial building campaign-a million houses a year, or at least 750,000 a year—we know we can then have a period of recovery of at least 10 or 15 years.

Combined with this we should have a definite program of the conservation of natural resources in connection with the C. C. C. camps; we should also have soil conservation, which will also create additional employment. These are the things that concern the fundamental economics of the country; it is all necessary, and must be done if we are to survive as a nation.

Mr. RANDOLPH. Will the gentleman yield?

Mr. MAVERICK. I yield.

Mr. RANDOLPH. In my district we had the devastating floods. We must aid and assist these home owners to rebuild their properties. Entire communities have been wiped out, and in one community I am told there is only one house in good shape left standing.

Mr. MAVERICK. I thank the gentleman. It is true, and we should do something about it, because it is a national disaster that concerns the general welfare of us all. Now, the Republicans need not smile at the efforts of the Democrats, for you are not doing anything. [Laughter.] You Republicans have no cause for pride; you have no program, no plan, and apparently no ideas.

[Here the gavel fell.]

Mr. MAVERICK. Mr. Chairman, I ask for 2 minutes more. The CHAIRMAN. The gentleman from Texas asks that his time be extended 2 minutes. Is there objection?

WHEREIN IT IS SHOWN REPUBLICANS SHOULD HAVE GLUM FACES

Mr. RICH. Reserving the right to object, and I shall not object if the gentleman does not spend so much time talking about the Republican Party.

There was no objection.

Mr. MAVERICK. I cannot say all I want to say about the Republicans in 2 minutes. If I recounted their faults it would take too long.

Mr. SHORT. Will the gentleman yield?

Mr. MAVERICK. Yes.

Mr. SHORT. How in the world can any Republican possibly smile under the New Deal? [Laughter.]

Mr. MAVERICK. Well, I might say that the American people are smiling with the New Deal and are well satisfied. [Applause.] My idea is that the Republicans ought to look serious; in fact, they ought to look sick.

Mr. RANDOLPH. Will the gentleman yield?

Mr. MAVERICK. Yes.

Mr. RANDOLPH. I want to say that in West Virginia the partial registration now being taken shows that the Democrats have increased in number. Our citizens appreciate the worth-while program of this administration.

Mr. MAVERICK. Of course; smart people live in the State of West Virginia. [Laughter.] But let me be serious. In any government in the civilized world you are supposed to have an intelligent opposition. We have not got an intelligent opposition in this country. [Laughter and applause.]

Today all the talk I have heard from the Republican side has contained nothing constructive, not a thing. The Republicans have not put forward one single constructive idea; all I have heard is carping and criticism. You have not got any ideas. What do you stand for? As far as I can see, nothing except knocking others down. [Laughter and applause.]

HOUSING SHOULD RECEIVE ATTENTION IN ORDER THAT ALL SHOULD HAVE HOMES

Mr. MARCANTONIO. Will the gentleman yield?

Mr. MAVERICK. I will yield to the gentleman from New York.

Mr. MARCANTONIO. I want to ask this question. The gentleman has introduced a measure for slum clearance. Will he state what his party is doing to push through that bill for slum clearance?

Mr. MAVERICK. I introduced House Resolution 395, to create a select committee to study the matter of housing.

I wish every Member of the House would get a copy of that resolution, which provides as follows:

The committee is authorized and directed to conduct a constructive, comprehensive investigation, study, and analysis of the problems of urban, suburban, and agricultural housing, slum clearance, and conservation of natural resources of the United States, the existing Federal policies and laws on such subjects, and the agencies of the Federal Government administering such laws, with the view to the development of a sound, coordinated program of Federal activity through the fullest utilization of private and public enterprise in these fields and the preparation of legislative recommendations to carry out such program.

Mr. Chairman, we spend millions on all other subjects, scandalous and otherwise; why not spend a few thousand on something substantial? I am convinced that an intelligent, scientific investigation will lead us to adopt some type of housing program for the masses of the people. If it is not for the masses of the people, it is of no value—and furthermore, if we are to revive the building industry and bring recovery, it must be done through mass employment and mass purchasing power. A few houses built here and there will accomplish nothing. Besides, all of the people are entitled to decent homes.

I might say to the gentleman that it is my understanding that a housing bill will be introduced by the distinguished Senator from New York, ROBERT F. WAGNER, and it is a good one. In the meantime, I urge my colleagues to make an investigation of my resolution for the select committee to study the matter of housing. Vote for this bill; but, I repeat again, it is not enough. We must have a great Nation-wide housing campaign, connected with the conservation of our natural resources. [Applause.]

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the pro-forma amendment. The amendment pending before the Committee and offered by the gentleman from North Carolina [Mr. Hancock] seems to me to be reasonable. In line 10 on page 1 the amendment moves to strike out the words "or private", confining the sale to public sale. I understand that the gentleman from Wisconsin [Mr. Reilly] is going to offer an amendment extending the time within which the bill will operate to April 1 of next year, reserving to the President the right, by Executive order, to discontinue its operation at any prior time should he deem it advisable or necessary. This also seems to be a necessary amendment and one which the Committee should adopt. Neither one of those amendments is harmful to the bill. They are amendments that are not hostile to the bill. They are not offered in an unfriendly way. I hope the Committee will accept them rather than have any controversy about them.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman

Mr. McCORMACK. Yes. Mr. FITZPATRICK. Will the gentleman from North Carolina [Mr. Hancock] support the bill if his amendment is adopted?

Mr. McCORMACK. Mr. HANCOCK will speak for himself. Mr. FITZPATRICK. The gentleman says that he is favorable to the bill.

Mr. McCORMACK. I did not say that. I said that it was an amendment that was not hostile to the bill.

Mr. HANCOCK of North Carolina. If the gentleman will permit, I have supported every measure that has been brought in here to further home building.

Mr. FITZPATRICK. Will the gentleman support the bill with that amendment?

Mr. HANCOCK of North Carolina. I will with one or two amendments, and I may even do so if those amendments are not adopted.

Mr. McCORMACK. The gentleman from North Carolina is one of the most constructive and able Members of the House.

With reference to the remarks made by the gentleman from Texas [Mr. MAVERICK], I will say there is a lot of logic in what the gentleman from Texas says. Outside of the remarks he made with reference to the Republican Party, it was a very serious speech. The gentleman from New York [Mr. Mar-CANTONIO asked the gentleman from Texas about slum clearance, a very pertinent question. I call the attention of the

gentleman from New York to the fact that whatever efforts have been made in this country with reference to slum clearance were instituted by the present administration. The gentleman from Texas referred to the effort being made in England. England, of course, has a central government acting through its Parliament, while here we have a dual system of government. We have difficulty in legislating as a result of our dual system of government which we must appreciate and always have in mind. The United States circuit court recently declared unconstitutional certain aspects of the law we passed within the last few years, that part with reference to the right of the Federal Government to exercise the power of eminent domain in connection with slum-clearance projects. I think the United States courts were right. In any event, the Government is not challenging the conclusion of the circuit court which sustained the opinion of the Federal judge in determining that part of the slum-clearance law to be unconstitutional. Necessity compels us to operate through the several States. Recently the high court of New York State declared constitutional a State statute which vested in a commission appointed in the city of New York the right to exercise the power of eminent domain. In Massachusetts we have passed a similar law, and other States undoubtedly have passed or are considering like legislation. There is pending before this Congress legislation to apppropriate from three to five hundred million dollars to carry out these purposes.

It is through the police or constitutional powers of the several States that the right to exercise the power of eminent domain exists. What has been done in this country with reference to slum clearance has been done by this administration. I say that in answer to the question propounded by the gentleman from New York [Mr. MAR-CANTONIO]. I know the Members realize that slum clearance and slum removal directly concern the public health, and that legislation should pass. There are many unfortunates in this country who are living under such adverse conditions which entitles to such consideration as can be done only through governmental action. The Federal Government has entered into this field, and will continue its efforts to alleviate human distress.

Mr. MAVERICK. The gentleman is perfectly willing to have a law that is constitutional giving the Federal Government this power?

Mr. McCORMACK. Exactly; but I do not think the Federal Government has the right to exercise the power of eminent domain necessary for successful slum clearance, therefore we must have State cooperation.

Mr. MAVERICK. But the gentleman is in favor of it?

Mr. McCORMACK. Not only in principle but I am in favor of something being done.

Mr. SISSON. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am opposed to the amendment offered by the gentleman from North Carolina [Mr. HANCOCK], supported by the gentleman from Massachusetts [Mr. McCon-MACK]. In addition to the reasons stated by the gentleman from Michigan [Mr. Brown], the administrative difficulties of enforcing collections would be tremendous. The additional expense would be tremendous. That amendment was carefully considered by the Committee on Banking and Currency. As the gentleman from Michigan [Mr. Brown] has indicated, the decision of the committee was almost unanimous against There is not any good purpose that can be served by it. There is not any justifiable excuse or reason for it. The rights of the owners of the securities are and can be and will be properly protected without it. We are considering here legislation from a broad standpoint. I hope the House will take the advice of the committee that has studied it, and the advice and recommendations of the Housing Administration that also has studied it. I urge that that amendment be voted down.

Mr. GRAY of Pennsylvania. Will the gentleman yield?

Mr. SISSON. Yes; I yield.

Mr. GRAY of Pennsylvania. Is it not true that invariably in court proceedings, when it comes to a private sale or a

public sale of securities or lands or any property, an advantageous sale can be made privately much better than publicly?

Mr. SISSON. Yes; and the interests of the holder protected, and from my personal experience as a lawyer, far more, on the average, can be secured for the administration in collections if this amendment is voted down and private sales

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield for a short statement?

Mr. SISSON. I yield.

Mr. ELLENBOGEN. I want to say, in answer to the speeches made here today about slum clearance and low-cost housing, I have a bill before the Committee on Banking and Currency. It has been endorsed by Secretary Ickes and I am hopeful of obtaining hearings before that committee in a short time, and that this Congress will have before it at this session a slum-clearance and low-cost housing program.

The CHAIRMAN. The time of the gentleman from New York [Mr. Sisson] has expired.

Mr. DINGELL. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, the National Housing Act has been a sort of a pet of mine. I have had some experience before this committee at the last session, when I proposed the amendment for insuring loans up to \$50,000. It was my privilege to introduce the first bill extending the life of this section during this session. I understand, and I hope the understanding is correct, that the \$50,000 figure contained in the bill and which was stricken out and substituted with the amount of \$25,000 will be restored to the original amount. It is my understanding that an amendment will be offered to do that.

Mr. GOLDSBOROUGH. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. GOLDSBOROUGH. That is the committee amendment. There will not be any amendment offered. The Clerk will read the committee amendment, and those who are opposed to the committee amendment will vote against it, and if the opposition carries, the amount will then be \$50,000.

Mr. DINGELL. However, there will be provision for that. That is what I am chiefly interested in.

Another thing that I am concerned about as provided originally in my bill is the extension of the life of this section of the F. H. A. for a period of at least 1 year. It is manifestly clear that it is entirely wrong that this act should terminate at a time when the Congress is not in session. We should be courageous enough, when we learn that the provisions of the act have outworn their usefulness, to refuse to extend the life of the act further, but at any rate the bill should continue until such time as the Congress is again in session. As I have said before, I believe that 40 percent of our unemployed are in the building trades. That is approximately 4,000,000 people. Three million others, or an additional 30 percent, are to be found directly or indirectly in what may be termed "the allied or associated trades and industries." If we can do anything to reduce that number it is manifestly clear we are going a long way toward the reduction of the unemployment and therefore the elimination of the relief rolls.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. FITZPATRICK. I would like to ask the committee a question. The amendment reduced it from \$50,000 to \$25,000. Will the committee ask the House to defeat its amendment and restore the \$50,000?

Mr. GOLDSBOROUGH. No. I stated this morning, when that part of the bill is reached I personally would not object to the defeat of the House amendment, but I cannot speak for any member of the committee except myself.

Mr. FITZPATRICK. If that is defeated, we will restore

Mr. GOLDSBOROUGH. That is correct.

Mr. DINGELL. These two questions embody all that I am interested in.

[Here the gavel fell.]

Mr. KENNEY. Mr. Chairman, I rise in opposition to the

When we come to consider whether we will vote up or vote down the committee amendment, I believe we ought to weigh carefully what is going on in other countries. Reference was made today to the matter of slum clearances as it is carried on in England. We in America seem to think that we have our own way of doing things, and we are reluctant to adopt any plan or any type other than our own, no matter how valuable it may be to the interest or welfare of our people.

Only a short time ago I was sitting as a member of the Committee on Interstate and Foreign Commerce, when Mr. Cook, head of the Rural Electrification Administration, appeared there and undertook to show how we in America were far behind other countries in rural electrification. He pointed out how Japan was far and away ahead of us; how Sweden was ahead of us; and England. Then the committee interrupted him and asked him various questions relating to the subject of electrification as applied to the rural sections of this country.

After he had responded at length to the questions of the members of the committee, I asked him whether he wanted to present as an argument in support of the proposed rural electrification bill the fact other countries had advanced in rural electrification far beyond us. He seemed indignant and said he did not want to submit the progress of other countries as an argument in favor of the bill and only mentioned conditions in other countries incidentally.

But we ought to take notice of what is going on in other countries, especially that which would be advantageous to us here. If the Members of Congress have read the headlines of the newspapers yesterday and today, they know of a notable event happening on the other side of the ocean, the great Atlantic. Tomorrow the Irish Sweepstakes will take place. Our people here in the United States to this single event have contributed, according to estimate \$20,000,-000, but I say far in excess of that. It is now our policy not to lend money to foreign countries; yet yearly we are sending them as a contribution-a gift-upward of \$200,000,000. which we ought to keep at home, where, goodness knows, it is needed. The people of America are contributing to the great lotteries of Europe hundreds of millions every year, instead of investing them in a national lottery of our own for the benefit of our own Government and the American people. [Applause.]

Mr. McFARLANE. Mr. Chairman, will the gentleman vield?

Mr. KENNEY. I yield.

Mr. McFARLANE. Does the gentleman think it is a good business gamble when we get back less than 1 percent of what we send over?

Mr. KENNEY. No; I do not think it is.

Mr. McFARLANE. Then why does the gentleman advocate it so often on the floor of Congress?

Mr. KENNEY. Because I want to keep hundreds of millions of dollars at home. I want these and the proceeds of domestic lotteries to help relieve unemployment, to support old-age pensions, and to protect the American public, which contributes altogether from three to six billions a year in lotteries, many of them dishonest. Participation by our people in an honest lottery conducted under Federal auspices would reap a huge revenue for the Government and curtail taxation, which would make for better business and the solution of some of our problems, including the unemployment problem. The bill before the House will tend to increase employment. The passage of my lottery bill would result in the employment of many men and women, as has been proven in other countries.

No one seriously dotes on a return on his investment. When we contribute to the Red Cross we hardly consider it as a business investment. So participation in a governmental lottery would be a gift to our Government and to ourselves.

Mr. MARCANTONIO. Mr. Chairman, I move to strike out the last line.

Mr. Chairman, at the time I asked the question of the gentleman from Texas with reference to a genuine slumclearance program it was not my purpose or intention at all to interject any party politics. Everyone knows that I have at no time during my short term here interjected party politics either with regard to my vote or to any speech I have made on the floor of the House. I think the time has come, however, when the Democratic majority must face its obligations, and the reason I pick on the Democrats is because they are in the majority and the responsibility is theirs, and also because I believe I cannot receive much support for my views from members of my own party: I repeat, the reason I pick on the Democrats is because the responsibility is theirs. It seems to me the Democratic Party, up to the present time, has just been shadow boxing with the fundamental problems confronting this Nation. As a matter of fact, the New Deal has been retreating. It has retreated on the question of unemployment relief. While it advocated \$4,800,000,000 for unemployment relief for the fiscal year 1936, it is now advocating only \$1,500,-000,000 for the fiscal year 1937, despite the fact that the unemployment situation is the same; and this at a time when, according to the conservative figures of the American Federation of Labor, 12,660,000 are out of employment.

As for slum clearance, you just talk about it; you have not done a single, solitary thing toward genuine slum clearance in the United States. In the one or two instances where you attempted slum clearance you simply drove out the poor class of tenants who could not afford to pay more than \$5 a room a month, and built in the place of what you tore down, buildings which now rent for \$10, \$15, and \$20 a room a month. The result is, you have forced the poor tenants, for whose benefit slum-clearance appropriations should be made, from the quarters they occupied, and in the name of slum clearance you have erected more-costly buildings, used and inhabited by the class that can pay \$10, \$15, and \$20 a room. Do you call that program a slum-clearance program? It is a profit-making scheme for a chosen few. Why not quit demagoging and appropriate funds to give American workers decent buildings in which to live, at rents which they can afford to pay?

In the final analysis the Democratic Party, the majority party, which today has the leadership, should fight the Liberty League by deed and not merely by making faces at it. Instead, it just talks a good fight and always surrenders. You have failed the workingmen and women of this country and, as far as the unemployed are concerned, you have substituted in the place and stead of the fantastic Hoover myth of two chickens in every pot, the stark reality of two wolves at every door. [Laughter.]

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. GIFFORD. I thank the gentleman for his explanation of the slum-clearance work. If in the first place the fact be as the gentleman stated, that we Republicans lack ideas, do you Democrats object if we borrow the ideas incorporated in your platform of 1932?

Mr. FIESINGER. Mr. Chairman, I rise in opposition to the pro-forma amendment, for the purpose of making an observation and asking a question of some member of the committee.

I had this experience last fall in my home city: The housing authority held a meeting in the high school there and invited the public to hear an explanation of the proposition. This was all right, and I participated in the meeting. What I say now is not in criticism of the Housing Administration, but after the proposition was thoroughly explained and the people were quite enthusiastic and wanted to participate in its benefits, it appeared the restrictions did not permit of very much business, and I mention one instance: A young man in my city owns a building lot in a very good part of the city. He is in business and has a good job and has ability to repay the loan and all the charges. He is a young married man of fine character, well-liked in the community, and, if

banking credit was normal, I should say he would be able to get the money at the bank. He made application for a loan through the Federal Housing Administration. He was not successful in securing the loan, because, as they said, the lot was not in restricted territory. Now, if a loan cannot be made to build a house on anything but restricted territory, I do not see how the people in my district can get very much benefit under this act, because there is very little restricted property in my city or in any city.

Mr. GOLDSBOROUGH. I think sufficient answer to the gentleman's observation is the statement that the restricted-territory regulations apply under title II of this act.

Mr. FIESINGER. Is that the section dealing with building new houses?

Mr. GOLDSBOROUGH. That only applies to title II, and has no relation to the title we are now considering.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was rejected.

Mr. MAPES. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Mapes: Page 1, after line 4, strike out after the word "compensation", in the second sentence of section 1 of title 1, the rest of the sentence and insert in lieu thereof the following: "said officers and employees to be appointed in accordance with the civil-service laws and rules thereunder and their compensation fixed as provided in the Classification Act of 1923, as amended", and in the third sentence of said section 1 strike out the words "without regard to any other provisions of law governing the expenditure of public funds."

Mr. GOLDSBOROUGH. Mr. Chairman, I make a point of order against the amendment that it is not germane. It is new matter entirely.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard?

Mr. MAPES. Mr. Chairman, as I understand the rule, if the bill was confined to one particular amendment there might be some question as to the germaneness of my amendment. But this bill attempts to amend existing law in several particulars. It amends section 1 of title I and it amends section 2 of title I.

Mr. GOLDSBOROUGH. Mr. Chairman, the matter desired to be inserted by the gentleman from Michigan does not refer in any way to the subject matter of the legislation. It has no possible reference to the subject matter of the legislation.

The CHAIRMAN. The Chair is ready to rule. Section 1 of this bill deals with the sale and handling of securities.

Mr. MAPES. Mr. Chairman, I do not like to interrupt the Chairman, but section 1 of the law relates to appointment of employees and the fixing of their compensation, which is the section I am trying to amend.

The CHAIRMAN. The Chair will read a syllabus from a decision made by Mr. Speaker Gillett:

To a bill amendatory of an act in several particulars an amendment proposing to modify the act, but not relating to the bill, was held not to be germane (Cannon's Precedents, sec. 2947).

It seems very clear to the Chair that the amendment offered by the gentleman from Michigan does attempt to modify a section of the existing law, but it is not germane to this particular section of the bill. The point of order, therefore, is sustained.

The Clerk read as follows:

SEC. 2. Section 2 of title I is amended, effective on and after April 1, 1936, to read as follows:

"SEC. 2. The Administrator is authorized and empowered, upon such terms and conditions as he may prescribe, to insure banks, trust companies, personal finance companies, mortgage companies, building-and-loan associations, installment lending companies, and other such financial institutions, which the Administrator finds to be qualified by experience or facilities as eligible for credit insurance, against losses which they may sustain as a result of loans and advances of credit not in excess of \$2,000, and purchases of obligations representing such loans and advances of credit, made by them on and after April 1, 1936, and prior to December 31, 1936, or such earlier date as the President may fix by proclamation upon his determination that there no longer exists any necessity for such insurance in order to make ample credit

available for the purpose of financing alterations, repairs, and additions upon improved real property by the owners thereof or lessees of such real property under a lease expiring not less than 6 months after the maturity of the loan, and against losses which they may sustain as a result of loans and advances of credit, not in excess of \$50,000, and purchases of obligations representing such loans and advances of credit, made during such period to owners of real property already improved by apartment or multiple-family houses, hotels, office, business, or other commercial buildings, hospitals, orphanages, colleges, schools, or manufacturing or industrial plants, or improved by some other structure which is to be converted into one of the above-mentioned types of structure, or to lessees thereof under a lease expiring not less than 6 months after the maturity of the loan, for the purpose of financing alterations, repairs, and additions to such real property, and the purchase and installation of equipment and machinery thereon.

which is to be converted into one of the above-mentioned types of structure, or to lessees thereof under a lease expiring not less than 6 months after the maturity of the loan, for the purpose of financing alterations, repairs, and additions to such real property, and the purchase and installation of equipment and machinery thereon.

"In no case shall the insurance granted by the Administrator under this section to any such financial institution on loans, advances of credit, and purchases made by such financial institutions for such purposes after April 1, 1936, exceed 10 percent of the total amount of such loans, advances of credit, and purchases. The total liability incurred by the Administrator for all insurance granted under this section, including all insurance heretofore and hereafter granted, shall not exceed in the aggregate of \$100,000,000. No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it unless the obligation bears such interest, has such maturity, and contains such other terms, conditions, and restrictions, as the Administrator shall prescribe in order to make credit available for the purposes of this title.

"The Administrator is authorized and empowered to transfer,

"The Administrator is authorized and empowered to transfer, under such regulations as he may prescribe, any insurance in connection with any loans and advances of credit which may be sold by one approved financial institution to another approved financial institution."

With the following committee amendment:

On page 2, line 24, strike out "additions upon improved" and insert "improvements upon."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read the committee amendment, as follows:

On page 3, line 4, strike out "\$50,000" and insert "\$25,000."

Mr. O'CONNOR. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, this is the matter about which I spoke previously in presenting the rule. Last year the committee and the House inserted a provision for \$50,000 to cover alterations and repair of tenements, apartments, and so forth. The Senate bill contains the \$50,000. The Federal Housing Administration, I understand, is in favor of the \$50,000. This committee, by a majority, offers an amendment to reduce this to \$25,000.

Mr. Chairman, what the gentleman from New York [Mr. Marcantonio] said in one respect is not far from the fact. The whole slum-clearance problem and low-cost housing under the R. F. C., the P. W. A., and Federal Housing Act has been substantially a complete failure. There has been no sentiment in their administrations for it. The gentleman from New York [Mr. Marcantonio] blames it on the Democratic Party.

From my experience, which has been quite extensive with it, the blame lies at the doorstep of the Republican administrators who are administering the law—appointed, unfortunately, by a Democratic administration. They are practically all Republicans who have had charge of these matters, and they have no sympathy with low-cost housing or slum clearance.

This opportunity being gone—and I do not believe you will ever get any low-cost housing—this provision was put in here to meet, to some extent, the conditions in the cities and to remodel and modernize tenements and apartments, so that a decent place in which to live might be furnished at a much lower rent than the low-cost housing.

As the distinguished gentleman from New York [Mr. Marcantonio] has said, where they have financed or developed low-cost housing, just to make a showing, the rents run from \$10 to \$15 a room, whereas if this provision is afforded, not alone to my city but to every city in the country, we can remodel tenements and apartments and give as good quarters at from \$5 to \$7 a room. This is why we want to preserve this limitation of \$50,000.

I believe the committee is not definitely in favor of the \$25,000, and I believe they would be content if the limitation of \$50,000 were permitted to remain.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman

Mr. O'CONNOR. I yield.

Mr. ELLENBOGEN. The \$50,000 limitation is particularly necessary now on account of the destruction caused by the floodwaters in the various cities.

Mr. O'CONNOR. More so than ever; yes.

This bill would probably not be here if it were not for the flood condition, and I may say that the limitation of \$2,000 on houses is here principally to furnish some relief in the flood areas, and the new provision in the bill allowing construction on unimproved real estate is here solely on account of such condition.

I hope the committee amendment will be voted down and the provision of the bill as it was last year and as it passed the Senate and as nearly a majority of the committee wish it to be, providing a limitation of \$50,000, will be retained.

Mr. MILLARD. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. MILLARD. The gentleman spoke about these administrators being Republicans; they were appointed by the President and are subject to removal by the President?

Mr. O'CONNOR. Yes; that is the fact.

Mr. BURDICK. Mr. Chairman, I move to strike out the last word.

In regard to this measure I want the Members of the House from the cities of the country to understand and know that the Representatives from the farming sections of the United States are not entirely ignorant of the fact that the cities need help, and anything we can contribute to the relief of people who live in large tenement houses, I am sure, will be done, and the farm people will support us in anything we may do in the Congress to this end.

There is only one danger in legislation of this kind, and that is we give too much blanket authority to someone. We have discovered this in respect of the seed situation in North Dakota. We have discovered that the seed situation is being handled by the Resettlement Administration; and before a farmer can get seed he must show he is absolutely no good financially, and after showing this by an application as long as an income-tax report he must conclude by showing the Government that in a period of 5 years he will be all right financially and will pay everybody. The result is that about 15,000 worthy farmers in North Dakota cannot get seed unless we can get the Resettlement rules changed.

This situation applies to all of the Northwest or North Central States. We must have seed now. May 1 will be too late.

This situation arises, I think, because Congress delegates blanket authority to these institutions without hemming in such organizations and administrations with more direct instructions from Congress. I think it is our own fault as much as the fault of anyone else that we do not take time enough to go into the administrative end of these measures instead of just handing the matter over to them, which is the easy thing to do.

I wish to state, Mr. Chairman, I am mighty glad to support the suggestion offered by the gentleman from New York [Mr. O'CONNOR] to vote down the committee amendment and leave the bill as it is. [Applause.]

Mr. SISSON. Mr. Chairman, I move to strike out the last two words, and I shall not take the 5 minutes.

I shall only impose upon the patience of the Committee a couple of minutes. I think a little history of this legislation might not do us any harm. I am speaking in favor of the position taken by the gentleman from New York [Mr. O'CONNOR], and I want to remind the House that in 1934, when the Housing bill came up, many of the vital provisions of the bill were then opposed by many gentlemen who, in fairness, have now come around are favoring the legislation. Had it not been for the gentleman from New York [Mr. O'CONNOR], we could not have restored, as we did upon the floor of the House, some of the vital provisions of the bill which are benefiting the employment situation today.

We had the same situation last year. At that time this committee came in with this \$25,000 limitation. We restored the amount to \$50,000 on the floor, to no small extent through the influence of the gentleman from New York [Mr. O'CONNOR].

I do not know how many loans will be made or how much improvement will be carried on by reason of having the limitation at \$50,000 rather than \$25,000, but it cannot do any harm, as the losses under it have been and our experience shows will be inconsiderable.

Furthermore, the instances that I have just cited as to the prominent part taken in passing this legislation by the distinguished chairman of the Rules Committee [Mr. O'Con-NOR] and the study that he has so evidently given to the needs of the great city of New York and the needs of his own congressional district, entitle him to have his opinion given some weight and his wishes respected. I know during my 4 years of service here I have found that my distinguished colleague from New York has always looked at things from a national point of view and has always been willing to further legislation for the interests of agriculture and for all sections of the country. It is no more than fair that the needs of his congressional district and his city should be given consideration in this legislation, as he requests. He has earned the right to demand it. [Applause.]

I recall also that the very able gentleman from Michigan [Mr. Dingell], when we had legislation perfecting and amendatory to the Housing Act before us last year, had, with remarkable industry, collected a large amount of data and information for the uses of the committee and of the House. He was the author of one of these amendments to carry out this same purpose. He appeared before our committee on several occasions on this subject and gave us valuable support in securing its passage by the House. [Applause.]

Mr. BROWN of Michigan. The gentleman knows that many members of our committee, not a majority, favored putting the figure at \$50,000.

Mr. SISSON. That is a correct statement.

Mr. BROWN of Michigan. And the bill, containing the \$50,000 limit, passed the Senate yesterday.

Mr. SISSON. I thank the gentleman.

The CHAIRMAN. The question is on the committee amendment.

The question was taken, and the committee amendment was rejected.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 3, line 9, after the word "schools", insert "churches."

The committee amendment was agreed to.

The Clerk reported the next committee amendment, as

On page 3, line 16, strike out "an" and insert the word "and."

The committee amendment was agreed to.

Mr. HANCOCK of North Carolina. Mr. Chairman, I send two amendments to the Clerk's desk.

The Clerk read as follows:

Page 3, line 22, strike out the figures "10" and insert the figure "5."

Mr. HANCOCK of North Carolina. Mr. Chairman, the other amendment should be reported first.

The Clerk read as follows:

Amendment by Mr. Hancock of North Carolina: Page 2, line 25, insert before the word "improvements" the word "structural."

Mr. HANCOCK of North Carolina. Mr. Chairman and Members of the Committee, it was the judgment of our committee that under title I as amended, no further loans for electrical appliances and miscellaneous household articles would be eligible under the language of section 2 as amended. The Administrator told the committee that in view of the fact that the Electric Home and Farm Authority and the Rural Electrification Administration were dealing in the financing of appliances of this kind that they were willing to withdraw from this field of activity. Now if you want to encourage the real building trades in this country this amendment offers that opportunity. This amendment means that hereafter the improvements must be of a structural character. That, I know, was what we wanted title I to do in the original act. It was a major objective. It was one of its attractive features.

We know that under the present operations of the Housing Administration more than 54 percent of the loans in amount already insured have been loans for electrical appliances, plumbing and heating fixtures, and other mechanical equipment.

This amendment does not apply to loans insured under the \$50,000 limitation. It only means that improvements that are to be made under \$2,000 loans shall be real useful and needed improvements to small-home owners who have been almost forgotten by the Federal Housing Administrator. This phase of the program was its heart. All of us know that due to the depression there were literally thousands upon thousands of small-home owners who had been forced to neglect their homes; that this condition obtained throughout the breadth and length of the land; that through the operations of title I these worthy people would have a chance to get the money on their character notes and put their homes back in livable and decent condition for their families. Aside from the economic considerations involved, it was pregnant with social advantages. What could have been a more worthy governmental objective?

Mr. SMITH of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. Yes.

Mr. SMITH of Connecticut. Would the insertion of the word "structural" prevent loans for painting houses?

Mr. HANCOCK of North Carolina. I do not think there is any question about that.

Mr. SMITH of Connecticut. Is not painting an important improvement upon real estate?

Mr. HANCOCK of North Carolina. That is an important improvement, but usually not so important as a structural improvement.

Mr. SMITH of Connecticut. If the language is left as it is, it will allow both.

Mr. HANCOCK of North Carolina. The words "repairs and alterations" are broad enough to include painting or any other improvement of this character. Here is my purpose in offering this amendment. Of course, if somebody can offer one which is more clarifying, I would be delighted to support it. Under the present language, I am confident that the Federal Housing Administration can continue to insure loans covering the sale of electrical appliances, and so forth, because the present language is identical with the language of the original act. Unless some change in the language like this proposed is made, it means that financing of these loans can be carried on. Here is the only difference that I can see: From now on the borrower must own an interest in real estate or his lease must run for 6 years beyond the time of the maturity of the loan insured. Heretofore anybody, anywhere, if I am correctly advised, could buy this stuff and was eligible as a partner with the Government. Employment or improvements on real estate was a secondary consideration. Volume of sales by the manufacturers was the first thought and consideration of the F. H. A. officials.

Mr. GOLDSBOROUGH. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. Yes.

Mr. GOLDSBOROUGH. The original act of 1934 was passed in June 1934, and it did not permit loans on electrical equipment. On August 25 we amended and inserted the words "including equipment and machinery."

Mr. HANCOCK of North Carolina. I understand the gentleman is advising me what Congress has done, but the gentleman should know well that before the amendment which he refers was enacted, loans had been insured on the sale of electrical appliances. All he has to do is to look at the report. There is no doubt in the world about that. My friend has evidently never carefully read the hearings or a single report of this agency. It all centers on the question of 91/2 percent, plus a charge of 5 percent for defaults, ought

of the interpretation of what is meant by improvements on or to real estate or real property. Here is the question: Would the installation of a Frigidaire or a radio, both, of course, useful articles, or a cream whipper be such an improvement to real property? You have got to spell out its meaning if you do not want the Federal Housing Administration to continue using this insurance fund to stimulate the business of these favorite clients. I recognize that many of these articles are useful to home owners, but I am convinced that they are available to anybody on reasonable terms without the Government subsidy which is going to assist manufacturers who are amply able to take care of their own sales. These are not character loans for renovizing or modernization of homes. They are anything else. If you want to stop it, adopt the amendment I am offering. If you do not, vote it down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was rejected.

Mr. HANCOCK of North Carolina. Mr. Chairman, I have a further amendment which I offer and which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of North Carolina: Page 3, line 22, strike out the figure "10" and insert in lieu thereof the figure "5."

Mr. HANCOCK of North Carolina. Mr. Chairman, this is perhaps the last time I shall appear before the Committee with reference to this bill. I believe the discussion has been helpful in giving the membership a picture of Federal Housing activities to date. I certainly hope it has. The amendment I am now offering would limit the amount of the Government guaranty to the lending institution to 5 percent of their total loans made from the date of this amendment rather than 10 percent as provided on page 3 of the bill. It would work in this way: They draw 91/2 percent interest plus on the loans which they make. As I have pointed out heretofore, they are also permitted under the regulations of the Federal Housing Administration to charge, in addition, a 5-percent penalty for defaults where there has been a delay of 15 days. Remember all of this falls on the bor-He pays the freight. In other words, if an approved institution from now on made loans of \$100,000 in the aggregate, the Federal Government would only be responsible for \$5,000 of their losses. Is not that fair? Is it not enough as an inducement on paper of this kind and especially since they require security in the form of a lien on the articles? What consideration, if any, is shown toward the borrower or old Uncle Sam?

Approximately \$60,000,000 of the \$100,000,000 which can be used for this purpose has been set aside as an insurance reserve to cover the liability of the Federal Government on the \$300,000,000 of loans insured up to date. Therefore, there is left about \$40,000,000. That means that the Federal Housing Administration can insure approximately \$400,-000,000 additional in loans under this title. If you reduce the amount of the guaranty from 10 to 5 percent you thereby automatically increase the amount of business they can do from this time on from \$400,000,000 to \$800,000,000.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman

Mr. HANCOCK of North Carolina. I yield.

Mr. FITZPATRICK. Is it not a fact that if that amendment is carried through they cannot make any loans, because they will not loan money with a 5-percent guaranty? Is that not true?

Mr. HANCOCK of North Carolina. I cannot follow your logic or reasoning. We cannot continue indefinitely to coax and wet-nurse them. Many of them do not want it. They know it is largely a hand-out. I imagine that today, with loans being made by banks to the Farm, Home, and Electric Authority, as was developed yesterday, at three-quarters of 1 percent, and on cotton and other commodities at 1 percent, and with their vaults bulging over with cash, a 5-percent guaranty on loans of this kind, which carry an interest rate to be very attractive. Who else is being accorded such favorite treatment? If the loans were purely "character loans" for true modernization of homes, a 10-percent guaranty might be justified.

Mr. SISSON. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield.

Mr. SISSON. Is it not a fact that the gentleman from North Carolina is opposed to this particular provision and was opposed to this particular provision and would defeat it if he could, if it was 10 percent or 20 percent or 5 percent?

Mr. HANCOCK of North Carolina. No. I am perfectly willing to go along if it is reduced to 5 percent; but whether I go along or not, it will probably not make any serious difference. I have tried to make my position clear, for I am anxious to see this agency operate for the welfare of all the people. I fully appreciate my limited influence, and especially when instructions have been handed down. I know, though, I am doing my duty and this makes me peacefully happy. But I say, whether you adopt this amendment or not, I shall vote for this bill, because, notwithstanding the fact that I have not been able to eliminate the known evils and abuses, I still believe there is some good left in the Federal Housing Administration.

In presenting my arguments on the bill and the agency I have tried to be fair. My deductions can be confirmed by the records which I have studied for several days and nights.

I wish to say with respect to the criticisms that have been directed toward me—and I reply not in the spirit of controversy but in the most friendly attitude possible—that some of the statements that have been made, especially the statements made by the distinguished acting chairman, the gentleman from Maryland, a while ago, when he pointed to another one of my exaggerations, was but an attempt to evade rather than puncture my contentions.

Some of the facts which I have developed took him by surprise. He evidently had not kept up with what was going on "Federal Housingly." I invite a correction or contradiction of any statement of fact or charge that I have made. In bringing out these facts—all true, based on the records—I have tried my best to help the American people and save the taxpayers all the money I could. I also want to say, as a parting statement, that the Record will show that my attitude toward the Federal Housing Administration has always been as fair, cooperatively, and kindly, as the attitude of the gentleman from Maryland [Mr. Goldsborough], the acting chairman. I hope sincerely the amendment will be adopted.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. BROWN of Michigan. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from North Carolina.

Let me say regarding the gentleman from North Carolina [Mr. Hancock] that we who have worked with him for 4 years on the Committee on Banking and Currency fully appreciate his deep interest in this legislation. We look upon him as one of the leading authorities in our committee upon this subject. He has devoted himself most assiduously to obtaining a thorough knowledge of all of these matter connected with the various activities of Federal housing. No one admires him more than does the man who is now speaking, for his absolute sincerity and thorough knowledge of the subject.

We have guaranteed the accounts of persons investing in building-and-loan associations up to the amount of \$5,000 and have done so to the extent of 100 percent of that amount. The gentleman from North Carolina has been most assiduous in his efforts to bring that about, and he is largely to be credited with it. There are a great many of us from States like Michigan and other Midwestern States who are not affected to any extent by the building-and-loan associations. They are not a factor with us. If the amendment offered by the gentleman from North Carolina is passed, it means that those States where building-and-loan associations do not exist or do not do very much business, are not going to get any benefit out of this bill. There is no question in my mind that if this 5-percent amendment is agreed to by the

Committee of the Whole, it means an end to this legislation. If you want this legislation, you will vote down the amendment offered by the gentleman from North Carolina.

[Here the gavel fell.]

Mr. BOYLAN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Boylan to the amendment offered by Mr. Hancock of North Carolina: On page 3, in line 22, strike out "5" and insert "20."

Mr. BOYLAN. Mr. Chairman, in my remarks this morning I quoted this change in the bill as indictment no. 4 against the bill, because you know and I know that no financial institution will accept these loans if they are only insured even up to 10 percent, whereas the gentleman from North Carolina brings in an amendment to reduce it to 5 percent.

As has been well stated by the gentleman from Michigan [Mr. Brown], it simply means to kill the bill. All I am doing is to put in the language of the existing law permitting the insurance of loans up to 20 percent. Under the amendment offered by the gentleman from North Carolina, but 5 percent can be insured, which means there will be practically no loans accepted at all.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield? Mr. BOYLAN. I yield.

Mr. COCHRAN. The gentleman from Michigan has just stated that the amendment of the gentleman from North Carolina would kill the bill. If this be so, then the 20-percent amendment of the gentleman from New York will make it a 100-percent better bill; is this right?

Mr. BOYLAN. Absolutely; and it continues the present law. Surely, if we should do anything, we should liberalize it, not only make it 20 percent but even go to 33½ percent or 40 percent, and not try to reduce the thing to a practical nonentity; for no financial institution would accept these loans if they were covered only up to 5 percent.

Mr. Chairman, I ask the Members of the Committee to

support my amendment to the amendment.

Mr. HOLLISTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I urge the Members of the Committee to defeat both these amendments and stand by what the committee has reported. There is a very logical reason for this. The present act, it is true, insures up to 20 percent of the portfolio of an approved lending institution. To state it more clearly, this does not mean that 20 percent of each individual loan is insured; it is insurance of 20 percent of all the loans that may be made. In other words, if there are a lot of cats and dogs left in the hands of the bank or other institutions which made the loan, the Government takes 100 percent loss on them if it does not exceed 20 percent of the loans of that institution. For this reason there is certainly good reason to cut down, as this whole operation of the Housing Administration is being curtailed. There is thus every reason to cut down from 20 percent to 10 percent.

It is true, on the other hand, that if we cut down too far, whatever inducement there may be in the insurance feature disappears. In other words, the bank or other lending institution, in order to qualify and in order to proceed under the Housing Act, has to comply with certain conditions and has to put on, perhaps, an extra clerk, or in the case of large institutions, several clerks, and there is, therefore, some trouble and expense in connection with it. They are willing to do this, however, to get a certain amount of insurance. If we cut down the insurance too far, the incentive disappears. Thus the amendment of the gentleman from North Carolina to reduce the insurance to 5 percent would practically end the matter.

On the other hand we have an agency which has been set up and operating for a considerable length of time appearing before our committee and saying that in their opinion the work has been pretty well done, and that it is time to curtail and to taper off. They, therefore, ask that the insurance be cut to 10 percent on the theory that there will thus be fewer cats and dogs left in the hands of the

insured institutions and, therefore, less loss to the Government. It does seem to me we ought to go along with the Housing Administration. I ask, therefore, that these amendments be defeated and the bill left as reported by the committee

Mr. GOLDSBOROUGH. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. GOLDSBOROUGH. Is it not a fact also that this \$40,000,000 with a 10-percent insurance feature would serve as a guaranty for \$400,000,000 of loans?

Mr. HOLLISTER. Yes.

Mr. GOLDSBOROUGH. Whereas if it is made 20 percent it will serve to insure not more than \$20,000,000 of loans.

Mr. BROWN of Michigan. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

Mr. LAMNECK. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. LAMNECK. My point of order is that all time for debate on this amendment has been exhausted.

The CHAIRMAN. The Chair sustains the point of order, as all time has been exhausted on the pending amendments.

Mr. McCORMACK. Mr. Chairman, I move to strike out

the last three words.

The CHAIRMAN. The amendment of the gentleman from Massachusetts is not in order, as his amendment would

from Massachusetts is not in order, as his amendment would be an amendment in the third degree.

The question is on the amendment of the gentleman from New York to the amendment offered by the gentleman from North Carolina.

The question was taken; and on a division (demanded by Mr. Boylan) there were—ayes 14, noes 92.

So the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was rejected.

Mr. REILLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Reilly: On page 2, in line 20, strike out "December 31, 1936" and insert "April 1, 1937."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. Reilly].

The amendment was agreed to.

Mr. GRAY of Pennsylvania. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Gray of Pennsylvania: On page 2, line 17, strike out "\$2,000" and insert "\$5,000."

Mr. GRAY of Pennsylvania. Mr. Chairman, I have offered this amendment with the most serious intentions and hope it will be considered as such by the Committee, and not merely for the sake of something to do, or in order uselessly to consume the time of this body. Under section 2, the Administrator is authorized and empowered to insure against losses which the lending companies may sustain as a result of loans and advances of credit not in excess of \$2,000.

The point is, that if any home repair or construction repair work is started or permitted by reason of this act, or any other act, or if for any reason there is a business impetus in the country, there will undoubtedly be a natural increase in material costs and an increase in labor costs, particularly in the sections where such work is required.

While the \$2,000 limitation on loans may have been tolerably sufficient when there was only a general business, financial, and employment stagnation, that limit of \$2,000 is intolerably insufficient in the face of a gigantic physical demolishment such as those of us have who represent districts devastated by the ravages of the recent unimagined and unexpected floods.

If this specific bill, which, it is said, is intended to help the unfortunate victims of the recent floods, has any practical application to the purpose of its design, if it is to prove of any value to those people, and if they are going to take advantage of its provisions, it is very evident that very substantial amounts of repair and improvement work will be

undertaken. Plainly, that will cause increased demand for the required materials and labor, and thus will be stimulated the prices and costs of both material and labor.

In circumstances such as that it would be manifestly insufficient to limit loans that may be insured to \$2,000. Many of the best and most comfortable private dwellings in flooded cities and towns have been all but destroyed, and to increase the loan limit to from \$2,000 to \$5,000 would be a sane and proper provision.

Mr. Chairman, I am not sure that the gentleman from New York, the distinguished chairman of the Rules Committee, was correct when he said that this bill was intended to reach out to the help of the people who have suffered by reason of the overflow of rivers and to relieve the flooded areas. That may, it is true, be the intent, but as a practicable measure, it is to be doubted if it will have even the least beneficial effect. For some of the cities in the district I represent, I am sure it will mean next to nothing.

In the first place, I do not believe that anyone in that district, with few exceptions—and they do not need the provisions of this bill—can pay any such rate of interest as has been stated here this afternoon is being charged under the national housing loans. The situation of thousands of unfortunate people is much too desperate to carry any such a burdensome charge as is being exacted.

If the act is to have any helpful application to those who need whatever beneficence it offers, then it should be made a reality and not a shadow. When the act was passed in 1934, the \$2,000 figure, considering everything, may have been satisfactory, but it is plain to me that it should be more than doubled now. An absolute minimum is in my opinion the sum of \$5,000. The difference in costs of material and labor and rates, in the event of any impetus to building or repair or reconstruction, makes it imperative these loans should be greater than the amount contained in this bill.

Mr. FORD of California. Title II takes care of that matter.

Mr. GRAY of Pennsylvania. I do not see how it can when the amount is limited in this section 2. I am talking about repairs to buildings, not new construction. Take Johnstown, where the first floors, and possibly the second and third floors, of many residences have been ruined. The windows are out, the porches are gone, the steps are destroyed, the floors are ruined, and all that sort of thing. On some of the main streets where the residences and homes are of considerable value, \$2,000 will not even begin to cover the loss. That is, it will not begin to pay the cost involved in reimproving or reconstructing the property.

Mr. Chairman, the money to rehabilitate will have to come out of some governmental agency for those people, because the banks or lending agencies in the communities no longer possess the necessary capital. The money will have to come out of the Federal Government or through some agency of the Federal Government. I am deadly serious about this amendment, because I feel that the \$2,000 limitation on loans is grossly and ridiculously insufficient.

Mr. FITZPATRICK. That only referred to one-family houses. On apartments and tenements they can lend as high as \$50,000.

Mr. GRAY of Pennsylvania. I am talking about the houses on the streets which people live in; just one-family houses, possibly two-family houses. Here is the situation which confronts us and there is no other way about it. Many comfortable, fairly commodious, and extra good dwellings, in which the owner lives or rented to some other family in whole or in part, were encumbered with obligations, mortgages, or judgments of one kind or another. Taxes, both current and delinquent, stand charged against these buildings and the ground on which they are built. The owners are homeless, and without finances even to begin to refurnish their homes. The municipal authorities will not be able to collect; the school districts will not be able to collect from them. The very best that the authorities can do is to eventually take over the properties to liquidate the tax liens, and then what becomes of the encumbrance holder, the bank, the trust company, or whatever agency has lent money on the property. What further becomes of the homeless home owners?

This is a deadly serious business and demands every ounce of competent statesmanship that is in Washington. Unless you intend to pay no heed to the distress of hundreds of thousands—and God forbid that anyone should think of us in that light—this Congress must devise ways and means not to shadow-box with this terrible reality of suffering but to come face to face with it in all its miserable results; those most direct and appalling, and as well, those more distant and indirect but nevertheless monumentally disastrous, and overcome them all.

[Here the gavel fell.]

Mr. SISSON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania.

Mr. Chairman, I have all the sympathy in the world for the purposes of the gentleman from Pennsylvania [Mr. Gray]; nevertheless his amendment would entirely destroy the philosophy of this legislation. When we passed this act in 1934—and I think this is a fair statement—it was not the intention of the Congress to in any way finance the construction of new dwellings under title I. Title II was enacted for that purpose.

Mr. GRAY of Pennsylvania. Will the gentleman yield?

Mr. SISSON. I will in a monent, if I have time. I want to finish my statement.

Mr. GRAY of Pennsylvania. I want to correct the gentleman's statement.

Mr. SISSON. I do not yield.

Mr. Chairman, it was found that through an inadvertence title I did allow the construction of \$2,000 houses, and loans made for that purpose were character loans. There is no security behind them except the character of the borrower and the insurance. The Government, through the F. H. A., insures those under the present law up to 20 percent, which we are reducing now to 10 percent; but that 10 percent may mean even the payment of 100 percent of a given loan, as has been explained by other members of the committee. We were disposed, I think, to eliminate that, and so amended the present act as to eliminate from title I that construction.

The House bill retains this provision. The Senate bill does not, but struck it out. After considerable discussion in the House Banking and Currency Committee, we retained it in the committee largely out of consideration for the flood sufferers, so that this provision might be used to enable them to build their small homes or bungalows or shacks, although this is not a flood-relief bill. The F. H. A. has been advising bankers at this time in the restricted districts affected by the flood what may be done under the law as it will probably be. The amendment offered by the gentleman from Pennsylvania [Mr. Gray] increasing this to \$5,000 throws the whole bill out of joint. It destroys its philosophy. It is contrary to the recommendations of the F. H. A. It is contrary to the result of the careful consideration of the committee. Where they have to have \$5,000 or more, this may be taken care of under the provisions of title II.

Mr. Chairman, I urge the Committee to reject this amendment.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I tried to obtain the floor after my distinguished friend, the gentleman from Michigan [Mr. Brown] got through, because I felt the gentleman unconsciously had made remarks which showed a misunderstanding of the position of the gentleman from North Carolina [Mr. Hancock]. I say "unconsciously" because I have the greatest respect for the gentleman from Michigan, but after eulogizing the gentleman from North Carolina, for whom I have profound respect—whether I agree with him or not on any amendment he may offer I have profound respect for the gentleman and for his sincerity—the gentleman from Michigan closed by saying that the gentleman from North Carolina is trying to kill the bill, although the gentleman from North Carolina just prior thereto had stated that if his amendments were defeated he was going to vote for the bill.

Anything the gentleman from North Carolina states I will accept, and he has stated that he intends to vote for the bill. My friend from Michigan, Mr. Brown, I am sure did not hear the statement of the gentleman from North Carolina that he intended to vote for the bill.

On the other side my friend the gentleman from Ohio [Mr. Hollster] opposed the amendment. He took issue with the gentleman from North Carolina, and in a manner which showed that he did not misunderstand his position. He took issue with the gentleman, as he had the right to do, and I supported him and the committee in the position that they took.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I shall be pleased to yield to the gentleman.

Mr. BROWN of Michigan. I did not hear the gentleman from North Carolina say he was going to vote for the bill. I understood him to say that he might vote for the bill. There is certainly nothing wrong in a gentleman opposing a bill. I have frequently done so, and I hope no one has questioned my motives, and I certainly do not question his.

Mr. McCORMACK. The gentleman from North Carolina had just previously stated that if his last amendment was defeated he was going to vote for the bill.

Mr. BROWN of Michigan. And I may say to the gentleman from Massachusetts there is no one here who has greater respect for the gentleman from North Carolina than I have, but——

Mr. McCORMACK. I have no doubt about that.

The gentleman from North Carolina is one of the most constructive and valuable Members of the House. I am glad that this situation has been cleared up.

Mr. LAMNECK. Mr. Chairman, I move that all debate on this bill and all amendments thereto close in 5 minutes.

The CHAIRMAN. The gentleman from Ohio moves that all debate on this section and all amendments thereto close in 5 minutes.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

Mr. BROWN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Page 2, line 25, after the word "property", insert "and the purchase and installation of equipment and machinery upon such real property."

The CHAIRMAN. Debate on this section and all amendments thereto is to be closed in 5 minutes.

Mr. BROWN of Michigan. Mr. Chairman and members of the Committee, this amendment was rejected in committee by a close vote. Under the bill as reported the present policy of the Federal Housing Administration will be changed. They now insure loans made to finance the purchase of electrical and other household equipment. If the bill as reported by the committee becomes a law, that will be changed. As it stands now, they can finance this kind of purchase. As the bill passed the Senate yesterday, it contains language similar to my amendment, and I think the House ought to vote on this proposition, so when the bill goes to conference the conferees will know what the attitude of the House is.

Now, I want to say that the losses we have been talking about in connection with the insurance feature of the bill are so small that they can be characterized as infinitesimal. They are only three-tenths of 1 percent of the total amount of business done under the Federal Housing Administration. There was something like \$850,000 losses out of approximately \$312,000,000 business.

If the amendment is adopted, it means that F. H. A. can no longer finance the purchase of electrical appliances, washing machines, and other household appliances of that kind.

Mr. FORD of California. If the gentleman will yield, I should like to ask him how it is possible to modernize a house if you cannot have electrical appliances?

Mr. GOLDSBOROUGH. Mr. Chairman, the time for debate having been fixed, there is very little opportunity to say much, but the committee deliberately cut this out, respecting electrical equipment, upon the theory that the bill which was passed yesterday covered that ground and it is not necessary.

Mr. BROWN of Michigan. I disagree with the gentleman. Mr. ELLENBOGEN. Mr. Chairman, will the gentleman vield?

Mr. GOLDSBOROUGH. Yes.

Mr. ELLENBOGEN. How are you going to do anything for the people in the flooded areas if you cut that off? I hope my colleagues will vote for this amendment.

Mr. BROWN of Michigan. How is it expected to do anything for the housewives of America unless these laborsaving appliances be permitted to be insured under the act?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. Brown of Michigan) there were—ayes 45, noes 52.

Mr. BROWN of Michigan. Mr. Chairman, I demand

Tellers were refused.

So the amendment was rejected.

Mr. ELLENBOGEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Ellenbogen: Page 3, line 16, after the word "of", insert "fixtures."

Mr. ELLENBOGEN. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes.

The CHAIRMAN. Is there objection?

Mr. MILLARD. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

The Clerk read as follows:

SEC. 3. Section 3 of title I is hereby repealed.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. GOLDSBOROUGH. Mr. Chairman, will the gentleman yield to me for a moment?

Mr. COCHRAN. Yes.

Mr. GOLDSBOROUGH. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Chairman, I ask the attention of the Committee. This bill is being considered under a rule, to expedite its passage. The House bill and a similar Senate bill were introduced on the same day. Senate bill 4212 is on the Speaker's table. We are now considering the House bill. The titles of the two bills are identical. If it is desired to expedite this legislation, then I urge the Committee, when we go into the House, that they request that Senate bill 4212 be taken from the Speaker's table, that all after the enacting clause be stricken out, and that the language we have just adopted in the Committee in the House bill be substituted for the language of the Senate bill, and that the Senate bill be then passed. Then the bill will go back to the Senate, and if the Senate does not agree to the amendments the bill can immediately be sent to conference. If that be not done, then the House bill, 11689, which we have been considering, must go to the Committee on Banking and Currency of the Senate and be considered there and reported out before the Senate can consider it.

Mr. GOLDSBOROUGH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. GOLDSBOROUGH. It is my purpose to ask unanimous consent that that be done.

The CHAIRMAN. Under the rule, the Committee will rise. Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'NEAL, Chairman of the Committee of the Whole House on the state of the Union, reported

that that Committee had had under consideration the bill H. R. 11689, and pursuant to House Resolution 465 he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill S. 4212, and that all after the enacting clause be stricken out and the House bill H. R. 11689, as amended, be substituted for the Senate bill.

The SPEAKER. The gentleman from Maryland asks unanimous consent to take from the Speaker's table the bill S. 4212, and that all after the enacting clause be stricken out and the House bill, as amended, be substituted therefor. Is there objection?

There was no objection.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill. The bill was passed.

A similar House bill was laid on the table.

A motion to reconsider was laid on the table.

The title was amended to read as follows: "To amend title I of the National Housing Act, and for other purposes.'

EXTENSION OF REMARKS-NATIONAL HOUSING ACT

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their own remarks on this bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I am happy, indeed, to have the privilege of voting to extend title I of the National Housing Act, as amended, to April 1, 1937, to provide insurance of loans and advances for the purpose of financing alterations, repairs, and improvements of homes

and other real property.

Mr. Speaker, I was one of a small group of House Members who called upon President Roosevelt in the spring of 1934 and started the movement for the enactment by Congress of the original Federal Housing Act. Our group which conferred at the White House with the President consisted of Mr. Duffey of Ohio; Mr. Sweeney, of Ohio; Mr. Healey, of Massachusetts; Mr. Mead, of New York; and myself, and we also conferred with Hon. Jesse Jones, chairman of the Reconstruction Finance Corporation, and other officials of the Federal Government. I consider that the legislation which was subsequently introduced and sponsored by the Banking and Currency Committee and passed by the House and Senate and approved by the President, has justified all the anticipations as to benefits to workers and manufacturers expressed by Mr. Spencer D. Baldwin, president of the National Retail Lumber Dealers Association, Washington, D. C., bearing date of June 18, 1934, and reading as follows:

NATIONAL RETAIL LUMBER DEALERS ASSOCIATION,
Washington, D. C., June 18, 1934.
MY DEAR CONGRESSMAN SMITH: On behalf of this organization, and the Western Retail Lumbermen's Association, we desire to thank you for the excellent and effective work you did in cooperative the second of the conductions tion with these and other national organizations, including the American Federation of Labor in the early stages and through to the finish to secure the enactment of the National Housing Act.

Your assistance in promoting a congressional delegation to call upon the President of the United States and the manner in which the problems of the building industry and labor was presented was instrumental in securing his active interest. It is significant that on the day you called upon him, March 20, he issued the Executive order to prepare a complete program for legislative action.

Your willingness at all times and the unselfish manner with which you cooperated certainly merits the approval and support of all who are affected by this legislation.

With kindest personal regards, and best wishes for your continued success, I remain

Very sincerely yours,

SPENCER D. BALDWIN, President.

The repair and remodeling features of the Federal Housing Act have been of vast benefit to the workers in the building trades, to the lumber, plywood, shingle, and other allied industries, and to manufacturers generally. Insurance on loans up to \$2,000 for new construction is likewise highly beneficial to both labor and industry. I have taken a keen interest and active part in promoting this legislation to extend the act to April 1, 1937, and have received the following letters from the Federal Housing Administration, to wit:

> FEDERAL HOUSING ADMINISTRATION, Washington, February 11, 1936.

Hon. MARTIN F. SMITH.

House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: We were very pleased to have you visit
us yesterday and discuss with us the advisability of continuing

us yesterday and discuss with us the advisability of continuing title I of the National Housing Act which expires on April 1. In accordance with your recommendation, as well as those of other Members of Congress, we have decided to ask for an extension of title I of the act from April 1 to December 31 of this year.

Many of the banks and other lending institutions in your State have taken advantage of this section of the act, which provides for the lending institutions making loans for the purpose of modernization, repair, and additions to dwellings on the basis whereby the Government insures the lending institution against losses up to 20 percent of the total amount of money they lend.

This plan has made it possible for owners of property to make

This plan has made it possible for owners of property to make much-needed repairs, and has stimulated considerable activity in the lumber industry and has reemployed many thousands of

workmen.

We expect that our amendment will be introduced in Congress within a week's time, and I will let you know the exact time of its introduction so that you may lend your influence in having it enacted. Very truly yours,

W. D. FLANDERS, Deputy Administrator.

Federal Housing Administration, Washington, March 11, 1936.

Hoa. MARTIN F. SMITH,

Holl Martin F. Smith,

House of Representatives, Washington, D. C.

My Dear Mr. Smith: In accordance with our conversation, I am attaching a copy of Senate bill 4212, relating to the proposed amendment to title I of the National Housing Act. Very truly yours,

W. D. FLANDERS. Deputy Administrator.

P. S.—This bill is identical with H. R. 11689.

Mr. BURDICK. Mr. Speaker, I desire to call the attention of the House and of the country to costly errors that are being made by the various relief organizations of the Government, set up for the purpose of carrying out the intent of this Congress in voting unprecedented relief appropria-

First, let me say that this Congress passed a bill to provide \$50,000,000 for feed and seed for needy farmers of the Nation. This act was vetoed by the President on the assumption that the appropriation was not needed. The President then allocated \$30,000,000 from other funds for this purpose, and word went out to the Northwest that funds would immediately be available for the purchase of feed and seed.

It must also be remembered that if wheat is not sown by April 20 there is not much use in having seed. Last year, you will recall, I called attention to the seed situation and tried to impress upon the House the necessity of getting seed out to the farmers in time. This was not done, and many farmers did not receive their seed wheat until well along in May. As a result, the unprecedented rust which visited these States just before harvest caught all of the latesown wheat. Most of the early-sown wheat escaped this damage. While North Dakota had over a hundred million bushel wheat crop in prospect, the rust reduced this to 50,-000,000 bushels and the rusted wheat was reduced in weight from 42 pounds down to 30 pounds. This wheat had no sale value and in many instances sold for \$15 per ton.

I trust this will not be repeated this year. I am fearful that a worse condition will prevail unless this Congress acts at once. As the President has worked out the plan of furnishing feed and seed, the whole administration of it has been turned over to the resettlement administrations of the various States.

Before a farmer, in need of feed and seed, can secure the money he must make a written application to the resettle-

ment administration of his State on forms that are long, involved, and intricate. No loan will be passed unless and until the following precedent conditions have been met (quoting from the instructions of the Resettlement Administration):

The plan under which the Resettlement Administration operates calls for approved farm and home management budgets worked out by the local supervisor in cooperation with the local county agent. In this way every possible method of making the farm pay and operating the home economically is outlined.

"At the same time the recipient of the loan is given the benefit of the farming knowledge of people thoroughly familiar with agricultural conditions in his county", said State Director.——.
"The county supervisor confers with the farmer applicant on proper cultivation methods and at the same time the housewife is given every assistance in the homemaking budget. In this way they get both a loan and expert assistance." they get both a loan and expert assistance."

Those eligible, the State director said, are farm owners, farm tenants, farm laborers, sharecroppers, or persons who, when last employed, obtained the major portion of their income from farming operations. They must be the heads of destitute or low-income farm families who are unable to obtain credit at reasonable terms

from other Federal or private credit agencies.

Those judged capable are being extended loans for the purchase of livestock, seed, fertilizer, and other necessities, and are given up to 5 years to repay loans. In addition, short-term loans of 1 or 2 years for rent, subsistence, medical care, etc., are made. No family is granted a loan until the budget expenditure plan has been carefully mapped out on a basis making repayment probable. Applications should be made to the county resettlement supervisor or to the county argustlement supervisor or to the county argustlement supervisor or to the county agricultural agent.

The less aid is given the farmers now, immediately, for feed and seed, the worse their condition will be. Finally they will have to seek direct relief. If that is what this administration wants, then the resettlement plans and specifications are admirably calculated to accomplish this purpose. Congress should step in now and pass a joint resolution giving definite instructions as to how these loans are to be made. I have no faith that the various administrations-Farm Credit or Resettlement-will ever cut out the red tape and get this feed and seed to the farmers in time.

There is one other matter, Mr. Speaker, in which the Relief Administration, as it operates, is committing an unpardonable blunder. It is this: Under the W. P. A., according to the program announced, no one who was not on F. E. R. A. last year is qualified to receive work in the W. P. A. In cases where farmers, through self-denial and pride kept off relief until now, that farmer finds that it is too late now for him to get work. When he makes application for help the first time in his life, he is turned down because the records do not show he was on relief last year. This program is most unfair and it is now causing a great deal of suffering in the Northwest States. There are thousands of farmers in desperate need of the necessities of life. They do not ask for charity. They ask for work, but that work is refused them for the reasons given above.

That was not the intent of Congress when it voted this huge fund of \$4,800,000,000. Congress made a mistake in granting this fund without some control over it. No one, except the President, can change the matter now. He has failed in his plans to provide help for those who have kept off relief heretofore. Congress should step in now and by a new appropriation provide for those whom the President has forgotten. The "forgotten man" was quite an issue in the last campaign, but, as this relief plan now operates, the "forgotten man" is still forgotten.

In a land of plenty—a land of too much—we owe the duty to the unfortunate to provide the necessities of life. I am for doing that very thing even if the so-called Budget is never balanced. Between balancing the Budget and feeding hungry people, I am for the people. Business interests could go a long way toward balancing the Budget if they would now give back the rebates on income taxes that were handed back to them.

It is much easier to praise than censure; it is easier to agree than disagree; it is easier to accept things as they are than to find fault. When the times comes, however, when good, honest, hard-working people in this country are in distress, through no fault of their own, I stand ready to be accused of censuring, of disagreeing, and with finding fault. I know of no other way in getting the truth to the people;

I know no other way than to appeal to the public conscience of the Nation. I am thankful that I have no party ties that prevent me from stating the facts as they are. I am thankful, too, that I have no political ambition of any kind other than to represent the people of North Dakota and this Nation as Congressman for the term for which I have been elected.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 543. Joint resolution making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 3424. An act to continue Electric Home and Farm Authority as an agency of the United States until February 1937, and for other purposes.

SUBCOMMITTEE ON EDUCATION OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Education of the Committee on the District of Columbia may be permitted to sit during the session of the House on Monday next.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

ADDITIONAL EMERGENCY RELIEF APPROPRIATION FOR THE DISTRICT OF COLUMBIA

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 543, making additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia, with a Senate amendment, and agree to the Senate amend-

The Clerk reported the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate amendment, as follows:

Senate amendment: In line 11, after the word "law", insert: "There is hereby appropriated out of any money in the Treasury not otherwise appropriated, the sum of."

The Senate amendment was agreed to. A motion to reconsider was laid on the table.

THE POWER OF THE COURT AT HOME AND ABROAD

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my own remarks.

The SPEAKER. Without objection it is so ordered. There was no objection.

Mr. MEAD. Mr. Speaker, a review of powers of the high courts in the advanced nations of the world, insofar as their authority to declare legislative acts invalid or unconstitutional, presents an interesting and somewhat paradoxical study. Constitutional governments are well split on the question of whether or not the judiciary should be empowered with the authority to overrule and invalidate laws enacted by a representative legislature. In some countries the constitution specifically vests the courts with authority to pass upon the validity of laws, in others the courts pass upon the constitutionality of legislative proposals before the legislature acts, and in still others the courts have no jurisdiction over constitutionality of law and the people's representatives assume that responsibility.

The Constitution of the United States does not grant the Supreme Court power to pass upon the constitutionality of acts of the Congress. This prerogative of the Court is based upon a precedent established by Chief Justice Marshall in 1803-Marbury against Madison-when he handed down a decision declaring a law passed by Congress contrary to the address delivered by my colleague, Hon. William J. Gran-

intent of the Constitution. This assumed power of the Court, however, was not exercised again for 54 years. In 1857 Chief Justice Taney, using the Marbury against Madison decision as a precedent, decided for the second time against the constitutionality of an act of Congress in the historic Dred Scott decision. Since that time the validity of numerous laws has been decided by the Court; and today, with a total of 74 laws declared to be unconstitutional by the Court, the principle is firmly established.

In Norway and Rumania procedure similar to our own American court history has resulted in the assumption by the courts of the right to declare laws unconstitutional.

The constitution of Colombia is probably the most definite in conferring authority upon its supreme court in that the court is specifically directed to decide upon the constitutionality of legislative acts which may have been objected to by the Government as unconstitutional. In Mexico the supreme court is given similar jurisdiction in all controversies arising between powers of Government and any State as to the constitutionality of their acts.

In Salvador, Honduras, Nicaragua, and Czechoslovakia authority is given to the courts to pass upon the constitutionality of legislative proposals prior to their enactment into law. In Salvador the supreme court may even initiate legislation which in its judgment would correct imperfections or deficiencies in existing law. In Czechoslovakia a special constitutional court is provided by the constitution separate and apart from the regular judiciary, which passes upon the validity of legislative measures before they may be enacted

Germany is in a position somewhat like the United States prior to the Marbury against Madison decision. The question of the court's authority to pass upon the constitutionality of laws is not mentioned and will be decided in the future by custom and legal precedents.

In varying degrees and in some cases with qualifications, at least 11 major constitutional governments do not permit consideration or usurpation of the legislature's prerogatives, with respect to the constitutionality of its acts, by the judiciary. England, Japan, Italy, Finland, New Zealand, Belgium, France, Australia, Switzerland, Union of South Africa, and Canada confer upon their legislatures the duty and responsibility of determining the validity of the measures which they consider. In England, where law is based upon precedent and a bill of rights rather than a written constitution, the Parliament is the supreme power and no court may question the authority of its acts. In Australia the legislature may confer upon the courts, in specific instances, the right to pass upon the constitutionality of a law.

Periodically, and with increasing intensity, the question rises in the United States whether the Supreme Court's assumed authority over acts of Congress is in the best interests of a representative democracy. This same controversy is known to every constitutional government and, except perhaps in those nations where the court is specifically stripped of jurisdiction over constitutionality of law, at home and abroad the power of the court is a regular topic for debate.

When our courts divide so often and so evenly it is difficult for the lawmaker to decide in advance on the constitutionality of any given question. A better system which would obviate the tremendous work and expense involved in the preparation and passage of legislation and the injury resulting from the delay and uncertainty would help our country's situation. At any rate, I believe the Court should pass on legislation.

## CONNECTICUT VALLEY FLOOD CONDITIONS

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a radio address made by my colleague [Mr. Granfield] in Springfield, Mass., on Saturday last on the flood situation.

The SPEAKER. Without objection it is so ordered. There was no objection.

Mr. HEALEY. Mr. Speaker, under unanimous consent to extend my remarks, I am inserting in the Record a radio FIELD, on Saturday evening, March 21, 1936, at Springfield, Mass., on the flood conditions in the Connecticut Valley, as follows:

Early this week I was impressed with the seriousness of the situation that confronted the people of the Connecticut Valley. I realized the appalling effects that follow in the wake of a flood

I realized the appalling effects that follow in the wake of a flood such as the one we have experienced.

The mayors of Springfield, Chicopee, and Northampton importuned action on the part of the Federal Government, in consequence of which I immediately communicated with the Red Cross headquarters at Washington, where assurances were given me that the situation in the Connecticut Valley was well in hand and that its citizens would not be without food, clothing, or shelter.

I also contacted Harry L. Hopkins, National W. P. A. Administrator, who assured me that everything possible would be done for our people. Today at Washington Senator David I. Walsh called a conference of the Members of Congress from Massachusetts in order to bring the full force of the Federal Government to the aid and relief of distress in our valley, and there a fourfold program of action was agreed upon. action was agreed upon.

action was agreed upon.

It is proposed, first, that an emergency fund be provided for the general and immediate relief of our people, and that our homeowners who have suffered losses, which in some cases will prove irreparable, be provided for by the Federal Housing Administration. Senator Walsh on Monday will present an amendment to the Reconstruction Finance Corporation Act extending the authority of that Commission to authorize loans to industries, large and small, effected by this diseaser. Many of our smaller hystiness concerns

affected by this disaster. Many of our smaller business concerns which have been seriously affected, it is hoped, will be provided for under this amendment.

which have been seriously alected, it is hoped, will be provided for under this amendment.

The havoc wrought by the flood to the bridges and highways was also considered, and enabling legislation will be presented to Congress on Monday by Congressman Holmes, of Worcester, a member of the Committee on Highways and Bridges, so that immediate action may be taken for their restoration.

At a conference today I was assured by District Attorney Moriarty; Mayors Martens, of Springfield; Stonina, of Chicopee; and Dunn, of Northampton; and Chairman Thomas J. Costello, of the county commission, that every effort would be made to ameliorate the severity of this flood. I want the people of this valley to know that everything possible will be done for their immediate relief. I cannot forego this opportunity to extol the very splendid and humanitarian services of the American Red Cross. Yesterday, in a conference with Mr. Earle, of that organization, at Washington, I was assured of the fullest cooperation. Today, after a personal survey, I am thoroughly satisfied that the American Red Cross has done its full duty to the people of the Connecticut Valley, and I wish to take this opportunity to congratulate the organization and those members who have worked so tirelessly for our people.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. HOOK. Mr. Speaker, I ask unanimous consent that on tomorrow after the reading of the Journal and the disposition of business on the Speaker's table, and at the conclusion of the special orders, I be allowed to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, already 40 minutes have been granted. We have a rule coming in with 2 hours of general debate. Ordinarily I figure the bill will not be voted on until 7 or 8 o'clock tomorrow night. There is a long discussion on it. Monday would be a much better day. We would not have granted the 40 minutes had we been aware they were being asked at the time. wish the gentleman would put it off until Monday. Otherwise we will be here until 9 or 10 o'clock tomorrow night.

Mr. HOOK. I should like to do so, but I can assure the gentleman it will only be for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. Hook]?

Mr. MERRITT of New York. Mr. Speaker, I object.

## IMPORTATION OF COTTON GOODS FROM JAPAN

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend as a part of my remarks a letter from the National Association of Cotton Manufacturers, signed by Mr. Russell Fisher, and a copy of a letter that he sent to the Department of Commerce; also some tables from the Department of Commerce showing the increase of Japanese cotton imports.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letters and table:

THE NATIONAL ASSOCIATION OF COTTON MANUFACTURERS, Boston, Mass., March 25, 1936.

Hon. EDITH NOURSE ROGERS,

House of Representatives, Washington, D. C.

DEAR MRS. ROGERS: Early this year we sent you copy of a resolu-tion passed at a meeting of our member mills protesting the continued and increasing importation of cotton goods from Japan. was apparent from statements made by State Department officials at the time that they felt the matter had been adequately taken care of through an agreement reached with the Japanese Government.

Now, that figures for January 1936 are available, it is very evident that the importation of Japanese cotton goods continues as an increasing threat, and that the agreement with the Japanese Government falls far short of what is desirable.

Enclosed is a copy of a letter and table prepared by the Cotton Textile Institute on this subject which, I think, will be of interest to you.

Yours very truly,

RUSSELL T. FISHER.

THE COTTON-TEXTILE INSTITUTE, INC., New York, March 23, 1936.

DEAR SIR: You will doubtless recall the pleasant conference which we had with you about 2 months ago regarding importa-tions from Japan, and in this connection I wonder whether the tions from Japan, and in this connection I wonder whether the figures for January covering imports of cotton piece goods from Japan have come to your attention? A total of 6,812,986 square yards were imported for consumption, which is a volume more than double that of January 1935, and some 2,000,000 square yards greater than that of the peak month of February 1935. This is at the rate of over 80,000,000 square yards per year, compared with a total for 1935 of about 36,474,000 square yards.

To give you a more complete picture, I am enclosing a table of imports of these cotton piece goods from Japan for a period of years. The greatest bulk, you will note, is in the "bleached" classification. The total imports of this type in 1933 were 256,624 square yards; an in January 1936, 5,842,933 square yards—which is at the rate of over 70,000,000 square yards per year.

The major portion of this type of goods is used by the handker-

The major portion of this type of goods is used by the handker-chief and underwear trades. Therefore the imports from Japan of chief and underwear trades. Therefore the imports from Japan of cotton handkerchiefs are closely related to the imports of bleached piece goods. The attached table, covering importations of cotton handkerchiefs, indicates the enormous growth of business enjoyed by the Japanese in recent years. The 505,518 dozens imported in January 1936 are doubtless the equivalent of at least 1,000,000 square yards of bleached cloth. When it is realized that the estimated annual volume of domestic business in bleached print cloths for the handkerchief and underwear trades is only 150,000,000 yards, the significance of these combined imports—bleached cloth and handkerchiefs—is seen in its true perspective.

Another division of our industry which is sorely conpressed is the

and handkerchiefs—is seen in its true perspective.

Another division of our industry which is sorely oppressed is the cotton velveteen group. A table showing the rapid expansion of imports from Japan in this category is also enclosed. From a total volume of about 1,000 square yards during the 9 years 1925 to 1933 importations jumped to nearly 84,000 square yards in 1934 (all of which arrived in the last 4 months of the year) and to the amazing total of 1,793,557 square yards in 1935. The volume imported last year is estimated to be over 50 percent of the domestic production for that year. The active season for velveteens is June to October, inclusive, which accounts for the substantial falling off imports commencing in November 1935.

to October, inclusive, which accounts for the substantial falling off of imports commencing in November 1935.

Another most disturbing development has been the arrival in this country during December 1935 and January 1936 of over 100,000 square yards of Japanese cloth under the unbleached classification. Last May, at a hearing before the Tariff Commission in the matter of importations of bleached goods from Japan, representatives of the Japanese importers claimed that it was not practicable or possible for the Japanese exporters to extend their activities with respect to shipments to the United States to other types of cloth. Nevertheless, since that time we have seen the tremendous expansion of receipts in this country of cotton velveteens, and more recently the above-mentioned unbleached goods. There is nothing of special merit in these importations. They are largely imitations of American cloths, but, with Japanese labor

There is nothing of special merit in these importations. They are largely imitations of American cloths, but, with Japanese labor costs only one-seventh or one-eighth of our labor costs, the effectiveness of the Tariff Act of 1930 is completely destroyed. Consequently we find Japanese bleached goods selling in our markets from three-fourths to 1½ cents a yard below the cost of comparable American goods; also Japanese velveteens from 10 to 25 cents a yard below the cost of comparable American products. And this does not reflect the full effect of the competition. Other American goods, which normally sell in price brackets bearing certain relationships to goods now in competition with Japanese goods, are adversely affected, first, by the destruction of the long-established differentials; and, second, by the threat of extension of activities by Japanese imports to types of cloth hitherto not brought into this country.

of activities by Japanese imports to types of cloth hitherto not brought into this country.

Needless to say, there will be little opportunity for our industry to make any further contribution toward relieving the unemployment situation when a rapidly increasing proportion of its market is being supplied by a foreign country. Nor can our industry be expected to contribute materially to improvement in the durable-goods industry when investments in replacements of machinery, etc., would doubtless result in outright loss.

The answer is that this industry needs and deserves relief from the rapidly increasing threat from Japanese importations. The instrument for that relief seems to be available in section 22 of the A. A., now made applicable by amendment to the Soil Conservation and Domestic Allotment Act. In effect this section has the same force as section 3 (e) of the N. I. R. A. Early in 1935, pursuant to a complaint under that Recovery Act section, the Tariff Commission investigated importations of Japanese bleached cotton cloth. Due to the invalidation of the act, however, the findings of the Commission have never been released.

In view of the work already accomplished, it would seem that little additional study would be necessary preparatory to initiating prompt hearings. We also understand that the members of the Tariff Commission are thoroughly familiar with the velveteen situation. Therefore, there seems to be no obstacle which would prevent prompt hearings before the Tariff Commission with respect to these imports.

Your good offices in behalf of the cotton taxtile indicates and

Your good offices in behalf of the cotton-textile industry will be greatly appreciated.

Faithfully yours,

CLAUDIUS T. MURCHISON.

United States imports from Japan
(U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce,

And the state of t	Cotton cloth						Cotton handkerchiefs		Cotton velveteens	
	Unblesched		Bleached		Printed, dyed, or colored		Not trimmed,		Square	
	Square yards	Value	Square yards	Value	Square yards	Value	dozens (lbs. 1925–32)	Value	yards	Value
1925. 1926. 1927. 1928. 1929. 1930. 1931. 1932. 1933. 1934. 1935.	59, 682 31, 117 104, 772 48, 004 2, 103 817 455	\$8,444 3,952 11,470 4,408 546 100 121	266, 789 372, 779 356, 634 186, 541 176, 308 47, 624 100, 266 51, 397 256, 624 6, 043, 345 30, 041, 422	\$38, 648 47, 623 29, 634 23, 005 17, 517 5, 042 11, 554 3, 629 12, 184 252, 057 1, 302, 605	5, 046, 593 1, 862, 875 1, 400, 821 1, 475, 569 1, 038, 473 967, 068 669, 942 737, 392 859, 089 1, 243, 172 6, 375, 510	\$742, 958 277, 742 218, 829, 032 170, 505 113, 539 94, 787 52, 941 166, 324 110, 986 423, 349	275 536 13 21 16 19 273 6,144 61,098 751,597 2,733,817	\$643 919 139 208 131 55 337 2, 338 6, 034 78, 695 254, 178	125 450 461 83, 765 1, 793, 557	\$41 14: 16, 170 268, 122
January February March April May June July August September October November December 1936: January			2, 633, 295 4, 347, 739 3, 854, 250 2, 318, 931 2, 461, 023 2, 038, 655 1, 238, 893 1, 699, 840 1, 718, 023 3, 136, 794 2, 772, 982 1, 820, 997 5, 842, 933	112, 682 204, 894 192, 740 98, 356 101, 552 82, 101 52, 629 66, 781 72, 412 128, 097 109, 863 80, 498 231, 642	707, 658 506, 915 721, 030 850, 764 725, 055 324, 937 348, 755 195, 904 547, 411 530, 922 302, 933 613, 226 916, 538	44, 283 36, 270 51, 453 61, 243 46, 550 25, 796 24, 262 13, 864 32, 156 33, 993 12, 805 40, 674 53, 724	181, 852 131, 424 127, 895 208, 279 169, 718 262, 521 407, 500 245, 523 270, 847 197, 671 241, 462 289, 125 505, 518	18, 543 14, 453 11, 331 20, 810 15, 848 24, 154 32, 965 26, 258 24, 310 17, 700 22, 025 25, 781 40, 975	3, 901 21, 248 31, 070 48, 752 75, 096 201, 433 145, 671 249, 349 358, 841 470, 841 60, 699 126, 686 84, 741	867 3, 822 4, 244 5, 922 11, 907 26, 857 22, 137 40, 092 58, 048 65, 544 9, 655 19, 022 12, 040

#### PERMISSION TO ADDRESS THE HOUSE

Mr. TABER. Mr. Speaker, I ask unanimous consent that on tomorrow, after the reading of the Journal and the disposition of other matters on the Speaker's table and the other special orders, I may be allowed to proceed for 20 minutes.

The SPEAKER. Is there objection to the gentleman from New York?

Mr. HOOK. Mr. Speaker, I object.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the business on the Speaker's table, I be allowed to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. HOOK. Mr. Speaker, I object.

Mr. TREADWAY. Well, Mr. Speaker, if that sort of thing is going to start we might as well start it right now. I make the point of order that there is no quorum present.

Mr. HOLMES. Will the gentleman withhold that for a moment?

Mr. TREADWAY. I will withhold it for a moment.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Claiborne (at the request of Mr. Cochran), on account of illness.

To Mr. McClellan (at the request of Mr. Miller), for 1 week, on account of important business.

To Mr. Terry (at the request of Mr. Miller), for the day, on account of illness.

# PERMISSION TO ADDRESS THE HOUSE

Mr. HOOK. Mr. Speaker, I will withdraw my objection to the request of the gentleman from Massachusetts.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. Treadway], that on Monday next he may have permission to address the House for 20 minutes?

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent that on tomorrow morning, after the reading of the Journal, the disposition of matters on the Speaker's table, and the special orders, that I may be allowed to proceed for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MERRITT of New York. Mr. Speaker, I object.

# ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4086. An act for the relief of Ellis Duke, also known as Elias Duke; and

H. J. Res. 543. Joint resolution making additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 3424. An act to continue Electric Home and Farm Authority as an agency of the United States until February 1937, and for other purposes; and

S. 3699. An act to authorize the coinage of 50-cent pieces in commemoration of the fiftieth anniversary of Cincinnati, Ohio, as a center of music, and its contribution to the art of music for the past 50 years.

#### FREE HIGHWAY BRIDGES IN MASSACHUSETTS

Mr. HOLMES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 11945) granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts for the construction, maintenance, and operation of certain free highway bridges to replace bridges destroyed by flood in the Commonwealth of Massachusetts.

The Clerk read the title of the bill.

Mrs. ROGERS of Massachusetts. Mr. Speaker, reserving the right to object, does this bill include the Central Street Bridge?

Mr. HOLMES. It does.

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Department of Public Works of the Commonwealth of Massachusetts to construct, maintain, and operate the following temporary and permanent free highway bridges and approaches thereto:

(1) Across the Merrimack River, at a point suitable to the interests of navigation, at or near Central Street, in the city of Lowell, Mass., to replace the Central Street Bridge;

(2) Across the Merrimack River, at a point suitable to the interests of navigation, between Haverhill and Groveland, Mass., to replace the Groveland Bridge.

replace the Groveland Bridge;
(3) Across the Connecticut River, at a point suitable to the interests of navigation, between Gill and Montague, Mass., to replace the Turners Falls Bridge.

(4) Across the Connecticut River, at a point suitable to the interests of navigation, between Montague and Greenfield, Mass., to replace the Montague City Bridge;
(5) Across the Connecticut River, at a point suitable to the interests of navigation, between Deerfield and Sunderland, Mass.,

interests of navigation, between Deerfield and Sunderland, Mass., to replace the Deerfield-Sunderland Bridge;

(6) Across the Connecticut River, at a point suitable to the interests of navigation, between Northampton and Hadley, Mass., to replace the Northampton-Hadley Bridge;

(7) Across the Connecticut River, at a point suitable to the interests of navigation, between Holyoke and South Hadley, Mass., to replace the Holyoke-South Hadley Bridge;

(8) Across the Connecticut River, at a point suitable to the interests of navigation, between Springfield and Agawam, Mass., to replace South End Bridge; in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1362) for the relief of Ramey Bros., of El Paso, Tex., with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

Mr. TABER. Mr. Speaker, I make the point of order there is not a quorum present.

#### ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move the House do now

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Friday, March 27, 1936, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

738. Under clause 2 of rule XXIV a letter from the Secretary of War, transmitting a draft of a bill to authorize the President to designate an Acting High Commissioner to the Philippine Islands, was taken from the Speaker's table, and referred to the Committee on Insular Affairs.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. GREGORY: Committee on the Judiciary. H. R. 8293. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act; with amendment (Rept. No. 2237). Referred to the Committee of the Whole House on the state of the Union.

Mr. SHANLEY: Committee on Foreign Affairs. 11768. A bill authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that purpose; without amendment (Rept. No. 2239). Referred to the Committee of the Whole House on the state of the Union.

Mr. CORNING: Committee on Interstate and Foreign Commerce. H. R. 10925. A bill to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.; with-

The SPEAKER. Is there objection to the consideration of | out amendment (Rept. No. 2240). Referred to the House Calendar.

> Mr. CROSSER of Ohio: Committee on Interstate and Foreign Commerce. H. R. 11772. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Sistersville, W. Va.; without amendment (Rept. No. 2241). Referred to the House Calendar

> Mr. HOLMES: Committee on Interstate and Foreign Commerce. H. R. 11945. A bill granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts for the construction, maintenance, and operation of certain free highway bridges to replace bridges destroyed by flood in the Commonwealth of Massachusetts; without amendment (Rept. No. 2242). Referred to the House Calendar.

> Mr. CROSSER of Ohio: Committee on Interstate and Foreign Commerce. S. 2496. An act to amend the Railway Labor Act; without amendment (Rept. No. 2243). Referred to the Committee of the Whole House on the state of the Union.

> Mr. KNUTE HILL: Committee on Indian Affairs. H. R. 9866. A bill to extend certain provisions of the act approved June 18, 1934, commonly known as the Wheeler-Howard Act (Public Law No. 383, 73d Cong., 48 Stat. 984), to the Territory of Alaska, to provide for the designation of Indian reservations in Alaska, and for other purposes; with amendment (Rept. No. 2244). Referred to the Committee of the Whole House on the state of the Union.

> Mr. CARTWRIGHT: Committee on Insular Affairs. H. R. 10312. A bill to amend section 40 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes"; without amendment (Rept. No. 2245). Referred to the Committee of the Whole House on the state of the Union.

> Mr. EICHER: Committee on Interstate and Foreign Commerce. H. R. 9273. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Weldon Spring, Mo.; with amendment (Rept. No. 2246). Referred to the House Calendar.

> Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 11043. A bill to extend the times for commencing and completing the construction of a bridge across the Waccamaw River at or near Conway, S. C.; without amendment (Rept. No. 2247). Referred to the House Calendar.

> Mr. KENNEY: Committee on Interstate and Foreign Commerce. H. R. 11402. A bill authorizing the Delaware River Joint Toll Bridge Commission of the State of Pennsylvania and the State of New Jersey to construct, maintain, and operate a toll bridge across the Delaware River at a point near Delaware Water Gap; with amendment (Rept. No. 2248). Referred to the House Calendar.

> Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 11476. A bill to revive and reenact the act entitled "An act granting the consent of Congress to the Lamar Lumber Co. to construct, maintain, and operate a railroad bridge across the West Pearl River, at or near Talisheek, La.", approved June 17, 1930; without amendment (Rept. No. 2249). Referred to the House Calendar.

> Mr. KELLY: Committee on Interstate and Foreign Commerce. H. R. 11478. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.; without amendment (Rept. No. 2250). Referred to the House Calendar.

> Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 11613. A bill to extend the times for commencing and completing the construction of a bridge across the Tennessee River between Colbert County and Lauderdale County, Ala.; with amendment (Rept. No. 2251). Referred to the House Calendar.

> Mr. KELLY: Committee on Interstate and Foreign Commerce. H. R. 11644. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and

Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.; with amendment (Rept. No. 2252). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 11738. A bill granting the consent of Congress to the State Highway Commission of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Monticello, Miss.; without amendment (Rept. No. 2253). Referred to the House Calendar

Mr. LEA of California: Committee on Interstate and Foreign Commerce. S. 33. An act to encourage travel to and within the United States by citizens of foreign countries, and for other purposes; with amendment (Rept. No. 2254). Referred to the Committee of the Whole House on the state of the Union.

#### CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 11187) for the relief of Catherine Humbler, and the same was referred to the Committee on War Claims.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLAN: A bill (H. R. 12027) to authorize the execution of plans for a permanent memorial to Thomas Jefferson; to the Committee on the Library.

By Mr. KENNEDY of Maryland: A bill (H. R. 12028) to provide hospitalization for certain employees in the Bureau of Navigation and Steamboat Inspection of the Department of Commerce and for licensed local pilots of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. MASSINGALE: A bill (H. R. 12029) to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Clinton, Okla.; to the Committee on the Judiciary.

By Mr. O'CONNELL: A bill (H. R. 12030) authorizing construction of a 300-ton airship for naval service, subject to the acceptance by the United States Government; to the Committee on Naval Affairs.

Also, a bill (H. R. 12031) authorizing a preliminary examination of the Pawtuxet River; to the Committee on Flood Control.

By Mr. VINSON of Georgia: A bill (H. R. 12032) to amend section 10 and to repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934 (48 Stat. 811), and for other purposes; to the Committee on Naval Affairs.

By Mr. FORD of California: A bill (H. R. 12033) authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights-of-way over public lands and reserve lands to the city of Los Angeles in Mono County in the State of California; to the Committee on the Public Lands.

By Mr. LEMKE: A bill (H. R. 12034) to authorize the erection of an addition to the existing Veterans' Administration facility at Fargo, N. Dak.; to the Committee on World War Veterans' Legislation.

By Mrs. NORTON (by request): A bill (H. R. 12035) to provide for the treatment and care of persons addicted to the use of intoxicating liquors; to the Committee on the District of Columbia.

By Mr. SCOTT: A bill (H. R. 12036) to provide for the establishment of a system of social insurance for the District of Columbia; to the Committee on the District of Columbia.

By Mr. KERR: A bill (H. R. 12037) relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes; to the Committee on Agriculture,

By Mr. THOMAS: A bill (H. R. 12038) to authorize funds for the prosecution of works for flood control against flood disasters along the Hoosac River in New York and Vermont; to the Committee on Flood Control.

By Mr. HANCOCK of North Carolina: Resolution (H. Res. 466) to provide for appointment of a select committee to investigate housing problems in the United States and Great Britain; to the Committee on Rules.

By Mr. MORITZ: Joint resolution (H. J. Res. 546) to permit articles imported from foreign countries for the purpose of rehabilitation in the flood areas to be admitted without payment of tariff; to the Committee on Ways and Means.

By Mr. BOLTON: Joint resolution (H. J. Res. 547) providing for importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition, to be held at Cleveland, Ohio, beginning in June 1936, and for other purposes; to the Committee on Ways and Means.

By Mrs. JENCKES of Indiana: Joint resolution (H. J. Res. 548) to amend House Joint Resolution 201 (Public Res. No. 40, 74th Cong.), entitled "Joint resolution giving authority to the Commissioners of the District of Columbia to make special regulations for the occasion of the Seventieth National Encampment of the Grand Army of the Republic in the month of September 1936, and for other purposes, incidental to said encampment", approved July 18, 1935; to the Committee on the District of Columbia.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BIERMANN: A bill (H. R. 12039) granting an increase of pension to Maggie B. Gunsalus; to the Committee on Invalid Pensions.

By Mr. CONNERY: A bill (H. R. 12040) for the relief of George R. Whyte; to the Committee on Military Affairs.

By Mr. CULKIN: A bill (H. R. 12041) granting an increase of pension to Mary W. Hannaford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12042) granting an increase of pension to Mary E. Starkweather; to the Committee on Invalid Pensions.

By Mr. FARLEY: A bill (H. R. 12043) for the relief of Clyde C. Rhodenbaugh; to the Committee on Military Affairs.

Also, a bill (H. R. 12044) granting a pension to Catherine Keyser; to the Committee on Invalid Pensions.

By Mr. KELLAR: A bill (H. R. 12045) for the relief of Alonzo Luther Fuller and Letha Lindsey Fuller; to the Committee on Claims.

By Mr. LEHLBACH: A bill (H. R. 12046) for the relief of Newark, N. J.; to the Committee on Military Affairs.

By Mr. McLAUGHLIN: A bill (H. R. 12047) for the relief of Thomas P. Dineen; to the Committee on Claims.

By Mrs. NORTON: A bill (H. R. 12048) granting a pension to Belle A. Roberts; to the Committee on Pensions.

By Mr. PETERSON of Florida: A bill (H. R. 12049) for the relief of Jennie De Mata; to the Committee on Claims.

By Mr. SMITH of West Virginia: A bill (H. R. 12050) to provide for the appointment of James W. Grose as a sergeant, first-class (master sergeant), United States Army; to the Committee on Military Affairs.

By Mr. THOMAS: A bill (H. R. 12051) granting an increase of pension to Hulda Bennett; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 12052) granting a pension to Lela Lewellin; to the Committee on Invalid Pensions.

By Mr. WILCOX: A bill (H. R. 12053) for the relief of the estate of Elizabeth R. Jay, deceased; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10599. By Mr. CULKIN: Petition of the Madison-Onon-daga district of the Dairymen's League Cooperative Association, Inc., of Syracuse, N. Y., requesting the President to immediately exercise the powers granted him by Congress to raise the price of gold to the limit authorized; to the Committee on Ways and Means.

10600. Also, petition of 43 residents of Cazenovia, N. Y., urging a 5-cent additional tax on oleomargarine; to the Committee on Interstate and Foreign Commerce.

10601. Also, petition of the Woman's Christian Temperance Union of Winters, Calif., urging adoption of House bill 2999 and block-booking legislation; to the Committee on Interstate and Foreign Commerce.

10602. By Mr. COLDEN: Resolution adopted by the Board of Supervisors of the County of Los Angeles, Calif., on March 18, 1936, urging the allocation of funds for the relief of needy unemployed; to the Committee on Appropriations.

10603. Also, letter from the Wilshire Lions Club, of Los Angeles, Calif., containing resolution adopted by the board of directors of that organization, urging the passage of House bill 4688 and Senate bill 2196, the purpose of which is to rehabilitate employable blind persons in the United States by permitting them to operate newsstands in Federal buildings, to find other suitable stand locations, and to make a national survey of industries wherein blind persons can be employed, and to train, place, and supervise blind persons in such jobs; to the Committee on Labor.

10604. By Mr. CONNERY: Petition of the New England section of the Society of American Foresters, endorsing the efforts of the Federal and State agencies in eradication of the Dutch elm disease, together with the program of sanitation, by removal of dead and dying elms which are potential sources of spread of the disease; and that the Federal appropriation for Dutch elm disease eradication for the coming year be not less than \$3,000,000; that these funds be made available upon appropriation, or, in any case, not later than April 1, 1936, in connection with and under the regulations governing the regular functions of the Department of Agriculture; to the Committee on Agriculture.

10605. Also, petition of the General Court of Massachusetts, memorializing the Congress of the United States relative to requiring that preference be given to citizens of the United States in employment on unemployment-relief projects financed by Federal funds; to the Committee on Appropriations.

10606. Also, petition of the General Court of Massachusetts, memorializing Congress against legislation violating the letter or spirit of neutrality; to the Committee on Foreign Affairs.

10607. Also, petition of the State health officers of the New England States, in connection with Senate bill 3958. favoring steps to promote the betterment of New England streams and shore waters by antipollution measures; that the adoption by the New England States of interstate compacts to abate water pollution is the most satisfactory method of accomplishing that purpose; that no extension of Federal control over streams is desirable; that the activities of the Federal Government should be restricted in the field of stream pollution to fact finding and coordination and stimulation of State and interstate programs and to directing the promotion of interstate compacts with the cooperation of the interested States; that the establishment of standards of water purity in particular areas and the enforcement of antipollution measures should be delegated to the States as provided for in compact agreements; to the Committee on Rivers and Harbors.

10608. By Mr. LAMNECK: Petition of Elizabeth S. Tilton, president, and Mary E. Taylor, secretary, Young Women's Foreign Missionary Society, Columbus, Ohio, urging early hearings on motion pictures now before Congress; to the Committee on Interstate and Foreign Commerce.

10609. By Mr. McCORMACK: Memorial of the Massachusetts General Court, memorializing the Congress to require that preference be given to citizens of the United States in employment on unemployment-relief projects financed by Federal funds; to the Committee on Appropriations.

# SENATE

FRIDAY, MARCH 27, 1936

(Legislative day of Monday, Feb. 24, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 26, 1936, was dispensed with, and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 543) making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia.

The message also announced that the House had passed the bill (S. 4212) to amend section 2 of the National Housing Act, relating to the insurance of loans and advances for improvements upon real property, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H. R. 11945) granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts for the construction, maintenance, and operation of certain free highway bridges to replace bridges destroyed by flood in the Commonwealth of Massachusetts, in which it requested the concurrence of the Senate.

#### ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

S. 3424. An act to continue Electric Home and Farm Authority as an agency of the United States until February 1937, and for other purposes; and

H. J. Res. 543. A joint resolution making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia.

#### CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	King	Pope
Ashurst	Clark	La Follette	Radcliffe
Austin	Connally	Lewis	Robinson
Bachman	Copeland	Logan	Russell
Bailey	Couzens	Lonergan	Schwellenbach
Barbour	Davis	Long	Sheppard
Barkley	Donahey	McGill	Shipstead
Bilbo	Duffy	McKellar	Steiwer
Black	Fletcher	McNary	Thomas, Utah
Bone	Frazier	Metcalf	Truman
Borah	George	Minton	Tydings
Brown	Gibson	Murphy	Vandenberg
Bulkley	Guffey	Murray	Van Nuys
Bulow	Hale	Neely	Wagner
Burke	Harrison	Norris	Walsh
Byrd	Hatch	Nye	Wheeler
Byrnes	Hayden	O'Mahoney	White
Capper	Johnson	Overton	
Caraway	Keves	Pittmen	

Mr. LEWIS. I announce the absence of the Senator from Alabama [Mr. Bankhead], the Senator from Rhode Island [Mr. Gerry], the Senator from California [Mr. McAdoo], and the Senator from Florida [Mr. Trammell], caused by illness; and I further announce that the Senator from Virginia [Mr. Glass], the Senator from Minnesota [Mr. Benson], the Senator from Massachusetts [Mr. Coolidge], the Senator from Colorado [Mr. Costigan], my colleague the junior Senator from Illinois [Mr. Dieterich], the Senator from West Virginia [Mr. Holt], the Senator from Nevada [Mr. McCarran], the Senator from South Carolina [Mr. Smith], the Senator from Connecticut [Mr. Maloney], and the Senator from Oklahoma [Mr. Thomas] are necessarily detained from the Senate.